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CONTENTS

18 October 1991

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

INTERNATIONAL AFFAIRS

General

UN Envoy Speaks on Rights of Nations [XINHUA]	1
Yang Shangkun Makes Envoy Appointments, Removals [XINHUA]	1
Activities Mark World Food Day Observance	1
Tree-Planting Ceremony Held [XINHUA]	1
Song Jian Addresses Meeting [XINHUA]	1
Li Guixian, ADB President View Relations [XINHUA]	2
Li Tieying Attends World Martial Arts Contest [Beijing Radio]	2
Ji Pengfei at Acrobatics Festival Opening [XINHUA]	2
Shanghai Hosts Plastics Processing Seminar [XINHUA]	3
Country Bids To Host Conference on Women [XINHUA]	3
'Weekly Roundup' on Soviet Aid; Kim, Do Visits [Hong Kong TA KUNG PAO 13 Oct]	3
Soviet, Israeli Foreign Ministers Meet [XINHUA]	5

United States & Canada

Canadian Agriculture Minister To Visit 24-25 Oct [XINHUA]	5
U.S. Takes New Approach in Space Defense Talks [XINHUA]	5

Soviet Union

CPC Issues 'Consensus' on Soviet Changes [Hong Kong PAI HSING 16 Oct]	6
Heilongjiang Opens Water Route to Soviet Union [Harbin Radio]	7
Soviet Defense Ministry Welcomes NATO Role [XINHUA]	7
Dispute on October Revolution Celebrations Noted [XINHUA]	7
Official on Economy's 'Worrisome' Performance [XINHUA]	7

Northeast Asia

DPRK Premier Meets RENMIN RIBAO Editor [16 Oct]	7
Commentary Views Growing Friendship With DPRK [Beijing International]	8
WPK Says Kim Il-song Visit 'Fruitful' [XINHUA]	9
Daily on Peaceful Reunification of Korea [RENMIN RIBAO 10 Oct]	9
S. Korean Unification Minister's Speech Noted [Beijing International]	10
NPC's Wan Li Meets Japanese Entrepreneurs [XINHUA]	10
Guangxi Secretary Meets Japanese Delegation [Nanning Radio]	11
Japan-U.S. Military Maneuvers Scheduled [XINHUA]	11
Four New Entry Posts Open in Inner Mongolia [NEIMENGGU RIBAO 25 Aug]	11
Tianjin-Ulaanbaatar Railway Transit Service Opens [TIANJIN RIBAO 29 Aug]	12

Near East & South Asia

Air Force Chief of Staff Arrives in Pakistan [XINHUA]	12
Air Officials Meet United Arab Emirate Leader [XINHUA]	12
'Roundup' Views Mideast Peace Forum Preparations [XINHUA]	13
USSR's Pankin Departs for Middle East Tour [XINHUA]	13

West Europe

Justice Minister Meets French Jurists [XINHUA]	14
Peng Chong Meets Italian Parliamentary Leader [RENMIN RIBAO 7 Oct]	14
'News Analysis' Examines British Elections [XINHUA]	14

East Europe

Premier Li Peng Meets Polish Foreign Minister [XINHUA]	16
Polish Ministers, Counterparts Discuss Trade [XINHUA]	16
Chinese Trade Fair Opens in Sofia 14 Oct [XINHUA]	16
XINHUA on 'Purge Law' in Czechoslovakia	16
Romania Approves Formation of New Government [XINHUA]	17

NATIONAL AFFAIRS

Political & Social

Leading Dissidents React to Imprisonment	18
Chen Ziming on Conditions [Hong Kong TV]	18
Chen, Wang Juntao Seek Appeal [AFP]	18
Li Peng Continues Guangdong Inspections	18
Inspects Shantou SEZ [XINHUA]	18
Calls on Shantou City Resident [Guangzhou Radio]	19
Leaves Shantou for Shenzhen [XINHUA]	19
Makes Speech at Airport Opening [XINHUA]	20
Editorial on Economic Role [Hong Kong WEN WEI PO 12 Oct]	21
Li Continues Inspection [Hong Kong TA KUNG PAO 16 Oct]	22
Tours Daya Bay Nuclear Plant [Hong Kong SOUTH CHINA MORNING POST 14 Oct]	22
Guangzhou Trade Fair Opens [CHINA DAILY 15 Oct]	23
Li Cuts Ribbon Opening Fair [XINHUA]	24
Li, Leaders Write Inscriptions [XINHUA]	24
Li, Others Send Encouragement [XINHUA]	24
Meet Hong Kong, Taiwan Businessmen [XINHUA]	24
Fair Promotes Exports, Imports [XINHUA]	25
Photo of Zhao Ziyang Displayed [Hong Kong SOUTH CHINA MORNING POST 17 Oct] ..	26
Qiao Shi Inspects Hainan, Stresses Public Order [XINHUA]	26
Survey Shows Increase in Public Sense of Security [CHINA DAILY 18 Oct]	27
Li Xiannian Inscribes Series on 'Prominent Figures' [XINHUA]	27
Recent Plays About Prominent Figures Discussed [RENMIN RIBAO 10 Oct]	28
Li Tieying Attends International Book Show Opening [XINHUA]	30
Qian Qichen Awards Prizes at Photo Contest [XINHUA]	30
Song Renqiong at Forum on Shanghai Picture Album [Shanghai Radio]	30
He Jingzhi on Promoting Socialist Literature, Art [RENMIN RIBAO 10 Oct]	31
Young Pioneers of Beijing Hold 2nd Congress	32
Li Ximing Speaks [XINHUA]	32
Leaders Recognize 'Model' Pioneers [XINHUA]	32
Shandong University Celebrates 90th Anniversary	32
Li Tieying, Others Attend [Jinan Radio]	32
Leaders Send Greetings [XINHUA]	33
Government To Trim Central, Provincial Levels [CHINA DAILY 12 Oct]	33
BEIJING WEEKEND Starts Publication [CHINA DAILY 4 Oct]	34
QIUSHI No 20 Table of Contents Carried [RENMIN RIBAO 15 Oct]	34

Economic & Agricultural

'Serious' Financial Situation Swells Deficit [AFP]	34
Special Economic Zones Continue Development [XINHUA]	35
Island Leaders Discuss Economic Cooperation [XINHUA]	35
Song Hanliang Recounts Xinjiang Achievements [RENMIN RIBAO 4 Oct]	35
Guangxi Works To Develop Transportation, Energy [RENMIN RIBAO 3 Oct]	38

RENMIN RIBAO Commentary on Energy Saving [8 Oct]	38
Government To Invest 500 Billion Yuan in Housing [XINHUA]	39
Building Materials Production, Markets Recover [XINHUA]	39
Statistics Show Increase in Annual Production [XINHUA]	39

REGIONAL AFFAIRS

East Region

Anhui Fulfills Export Plan Ahead of Schedule [XINHUA]	41
Xiamen SEZ To Co-Produce Apple Computers [XINHUA]	41
Jiangsu Party Committee Holds Work Meeting [Nanjing Radio]	41
Enterprises Prosper in Nantong Development Zone [XINHUA]	42
Suzhou Promotes Cooperation Projects at Fair [XINHUA]	42
Mao Zhiyong Speaks on Aiding Rural Circulation [Nanchang Radio]	43
Shandong Conference Views 'Key Projects' [Jinan Radio]	43
Shanghai People's Congress Committee Meets [Shanghai Radio]	43

Central-South Region

Guangdong People's Congress Work Meeting Ends [Guangzhou Radio]	44
New Method Used To Invigorate State Enterprises [ZHONGGUO TONGXUN SHE]	44
Development Project Said To Lack Central Backing [Hong Kong THE STANDARD 18 Oct]	44
'Financial Difficulties' Reported [Hong Kong THE STANDARD 18 Oct]	45
Guangdong Fulfills Part of Industrial Target [Guangzhou Radio]	46
Xiong Qingquan, Chen Bangzhou Attend 1911 Rally [Changsha Radio]	46
Chen Bangzhu Views Enterprises [Changsha Radio]	47

Southwest Region

Liu Zhengwei on Regional Economic, Political Ties [Guiyang Radio]	47
Addresses 1911 Revolution Rally [Guiyang Radio]	48
Yang Rudai Marks 1911 Revolution in Sichuan [Chengdu Radio]	49

North Region

Chen Xitong Attends Opening of High School [Beijing TV]	49
Project To Harness Beijing Rivers Planned [CHINA DAILY 17 Oct]	49

Northeast Region

Jilin Party Work Conference Held 12-14 Oct [Changchun Radio]	50
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TAIWAN

Further Reaction to Independence Motion Reported	53
Chairman Said To Meet Zou Jiahua [Taipei Radio]	53
Judicial Chief Opposes Plebiscite [CNA]	53
Women's Groups Denounce DPP [CNA]	53
Stock Investors Protest [CNA]	53
Police Caution Group on 'Radical Activities' [CNA]	54
Six Members Detained by Police [Hong Kong SOUTH CHINA MORNING POST 18 Oct]	54
Australian Air Links Threatened by Passport Snub [CNA]	55
Ministry Discusses East European Aid, Trade [Taipei International]	55

HONG KONG & MACAO

Hong Kong

Jiang Zemin Meets With Hong Kong Businessman [XINHUA]	56
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Controversy Over Repatriation Agreement Continues	56
SRV Official Comments [Hong Kong TV]	56
Obstacles Reportedly 'Overcome' [SOUTH CHINA MORNING POST 18 Oct]	56
Governor Criticizes U.S. Policy [THE STANDARD 18 Oct]	57
Possible Border Shift at Shenzhen Viewed	
[SOUTH CHINA SUNDAY MORNING POST 13 Oct]	58
PRC To Hold Aerospace Technology Exhibition [SOUTH CHINA MORNING POST 16 Oct]	60

General

UN Envoy Speaks on Rights of Nations

OW1710175791 Beijing XINHUA in English
1737 GMT 17 Oct 91

["China: All Nations Have Right To Take Their Own Road"—XINHUA headline]

[Text] United Nations, October 17 (XINHUA)—China has reiterated that all states, regardless of their size, strength and wealth, are all entitled to choose and decide on the appropriate road to take in the light of their own national conditions.

Speaking today at the U.N. special political committee on the protection and security of small states, Chinese delegate Wan Jingzhang said that no countries, especially big and strong ones, should seek to impose on others their own social systems, values, ideological and modes of development.

"All states, big or small alike," he continued, "should treat one another as equals, seek common grounds while putting aside differences, get along with one another peacefully and seek common development on such a basis."

"In this respect," Wan added, "big countries, including regional powers, shoulder special responsibilities and obligations."

The Chinese delegate pointed out that the world is an integral whole and that the security of all states, small states in particular, is one of the interrelated components in the overall structure of international peace and security.

"While hegemonism and power politics still exist, it is fully understandable that the weak and small states feel much concerned about their own security," and "only when all states, big or small, strong or weak, rich or poor, feel a sense of security will this eventful planet of ours enjoy genuine peace and security."

Wan believed that, to realize this, the international community must make earnest efforts to handle properly relations among states in strict observance of the U.N. Charter as well as in conformity with the establishment norms governing international relations, so that a new international order will replace the old one that is based on hegemony and power politics.

"That is the essential way in which international peace and security can be maintained and the independence, sovereignty and territorial integrity of small states protected," he concluded.

Yang Shangkun Makes Envoy Appointments, Removals

OW1810103191 Beijing XINHUA in English
0858 GMT 18 Oct 91

[Text] Beijing, October 18 (XINHUA)—Chinese President Yang Shangkun, in accordance with decisions of the Standing Committee of the National People's Congress,

has made the following appointments and removals of ambassadors of the People's Republic of China to some foreign countries.

1. Wang Jinqing was removed from his post of ambassador extraordinary and plenipotentiary of P.R.C. to Romania. Li Fenglin was appointed to the post.

2. Li Fenglin was removed from his post of ambassador extraordinary and plenipotentiary of P.R.C. to the Republic of Bulgaria. Bai Shoumian was appointed to the post.

3. Ni Zhengjian was removed from his post of ambassador extraordinary and plenipotentiary of P.R.C. to New Zealand. Li Jinhua (female) was appointed to the post.

4. Hu Changlin was removed from his post of ambassador extraordinary and plenipotentiary of P.R.C. to the State of Qatar. Tan Shengcheng was appointed to the post.

Activities Mark World Food Day Observance

Tree-Planting Ceremony Held

OW1510144091 Beijing XINHUA in English
1348 GMT 15 Oct 91

[Text] Beijing, October 15 (XINHUA)—A tree-planting ceremony was held in Beijing's suburban Changping County this afternoon by the Ministry of Forestry to mark the 12th anniversary of World Food Day.

Present at the ceremony were officials from the Chinese Ministry of Forestry, the National Afforestation Committee and the Ministry of Agriculture, representatives of the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Program (UNDP) and the World Food Program (WFP).

At today's ceremony, Chinese minister of forestry Gao Dezhan said that the theme selected by the FAO of the United Nations for this year's World Food Day is "Trees for Life", which indicates the growing awareness of the importance of forests.

He said that China's afforestation program, with the help of the World Bank loans, is well under way. The three-north (north, northeast and northwest China) shelterbelt system and afforestation in the middle and lower reaches of the Yangtze River and along the coast are making smooth progress and have achieved encouraging results.

The latest statistics show that China now has 124 million ha of forest, with a forest coverage of 12.98 percent.

Song Jian Addresses Meeting

OW1710085991 Beijing XINHUA Domestic Service
in Chinese 0804 GMT 16 Oct 91

[By REMIN RIBAO reporter Gao Baosheng (7559 0202 3932) and XINHUA reporter Zhang Jianjun (1728 1696 6511)]

[Text] Beijing, 16 Oct (XIN.HUA)—Today is "World Food Day" with "Planting Trees and Growing Forests To Benefit Mankind" as its main theme. At a gathering marking the occasion, jointly sponsored by the Forestry Ministry, the Agriculture Ministry, and the All-China Greening Committee, State Councillor Song Jian said: The observance of "World Food Day" with "Planting Trees and Growing Forests To Benefit Mankind" as its main theme signifies deepening and further enhancement of mankind's realization of the importance of grain production.

Song Jian pointed out: The forest is not only a foundation on which human beings seek survival but also a major resource base from which mankind produces its daily necessities; closely related to agriculture, forestry plays an important part in agricultural development.

Song Jian said: We should fully understand the objective law of interdependence and inter-promotion among agriculture, forestry, and irrigation in large-scale agricultural development. It is only through the successful combination of agriculture as a base, irrigation as a lifeline, and forestry as a shelter that steady, overall agricultural development can be achieved. This has been accepted as a consensus for scientists worldwide and is a scientific conclusion derived from the people's long-term production practice. Without well-developed forestry, there can be no fine ecological environment, and thus no highly developed agriculture.

In introducing China's efforts and achievements in developing forestry and improving the ecological environment to attending representatives of international organizations, officials from various embassies, and guests, Song Jian said: China will make unremitting efforts to push its forestry development to a new level in the 1990s; forestry will be able to make new contributions toward agricultural development, overall national economic development, and the improvement of the ecological environment—a glorious mission entrusted to us by history and an important responsibility of the Chinese nation in protecting the global ecological environment, which is a common undertaking of all mankind.

Hans Dall, representative of the UN Food and Agriculture Organization (FAO) to China, read out a message from Secretary General Saouma of the FAO. Hans Dall also announced conferment of a silver medal on the Chinese Forestry Ministry by the FAO for its contributions to mobilizing the people in afforestation projects and management of the eternal use of forest resources. After receiving the medal and certificate on behalf of his ministry, Forestry Minister Gao Dezhan reciprocated by giving the FAO videotapes and pictorials reflecting China's forestry development.

Li Guixian, ADB President View Relations

*OW1810103391 Beijing XINHUA in English
0920 GMT 18 Oct 91*

[Text] Beijing, October 18 (XINHUA)—Chinese State Councillor and Governor of the People's Bank of China

Li Guixian met with President of the Asian Development Bank (ADB) Kimimasa Tarumizu here today.

During the meeting Li said that the ADB has now resumed loans to China and has so far approved six projects. He expressed the belief that the relations between the ADB and China would be further promoted through Kimimasa Tarumizu's efforts.

Tarumizu said he is pleased to see that the relations between the ADB and China have gradually returned to normal.

They also exchanged views on the enhancement of cooperation and other issues.

Tarumizu, visiting China for the first time, has come to learn about China's social and economic development and to discuss the possibilities of furthering business with China, as well as to inspect the approved ADB projects in China.

After the meeting, Li hosted a banquet in honor of Tarumizu and his party.

Li Tieying Attends World Martial Arts Contest

*OW1310123591 Beijing Central People's Radio
Network in Mandarin 2230 GMT 12 Oct 91*

[From the "News and Press Review" program]

[Text] The First World Martial Arts Championships were solemnly opened at the Shoudu Gymnasium in Beijing last evening [12 October]. State Councillor Li Tieying and others attended the opening ceremony.

Teams from 41 countries, including Argentina, Brazil, Bulgaria, Germany, and the United States will take part in the contests.

Ji Pengfei at Acrobatics Festival Opening

*OW1710063891 Beijing XINHUA in English
0448 GMT 17 Oct 91*

[Text] Beijing, October 17 (XINHUA)—The third China wuqiao international acrobatics festival is being held in Shijiazhuang, capital of central China's Hebei Province, the OVERSEAS EDITION of the "PEOPLE'S DAILY" reported today.

Teams from Belgium, Canada, Cuba, the United States, the Soviet Union, France, Hong Kong, China and 11 other countries and regions are taking part in the competition. Some 16 foreign acrobatics programs and 12 Chinese acrobatics programs will be performed at the week-long festival.

Wuqiao is a county in the east of Hebei Province, which has an history of acrobatics dating back more than 1,400 years. According to the newspaper, China wuqiao acrobatics performers can be found in acrobatic troupes in more than 18 countries.

Member of the Standing Committee of the Central Advisory Commission Ji Pengfei and Vice-Chairmen of the Seventh National Committee of the Chinese People's Political Consultative Conference Hong Xuezhi and Ma Wenrui attended the opening ceremony Tuesday.

Shanghai Hosts Plastics Processing Seminar

OW1610143391 Beijing XINHUA in English
1323 GMT 16 Oct 91

[Text] Shanghai, October 16 (XINHUA)—The 1991 Asian-Australian Symposium of the Polymer Processing Society (PPS) opened today in Shanghai, China's leading industrial city.

More than 200 experts from Japan, South Korea, India, Singapore, Australia, Canada, the United States, France, Switzerland, Germany and China participated in the meeting.

The symposium organizing committee has received more than 180 theses.

Subjects of the theses include discussions of the latest achievements in plastics processing research and production.

The PPS was established in 1985 by scholars in polymer processing research from the United States, Canada, Germany, Britain, France and Japan.

It is the first time that China has hosted a PPS symposium.

China has two polymer research institutes, one of which is at Shanghai's Jiaotong University, and the other at the Chengdu University of Science and Technology.

Country Bids To Host Conference on Women

OW1710224191 Beijing XINHUA in English
2125 GMT 17 Oct 91

[Text] United Nations, October 17 (XINHUA)—China today again indicated its intention to host the 1995 World Conference on Women as well as the Forum of Non-Governmental Organizations.

Speaking at the third committee (social, humanitarian and cultural) of the current U.N. General Assembly, Chinese delegate Feng Cui said the world conference to be held in 1995 will undoubtedly exert important influence on the process towards realizing the forward-looking strategy for the advancement of women by the year 2000.

The conference was recommended first by the Economic and Social Council in December 1990 and endorsed by the 45th session of the U.N. General Assembly. The committee on the status of women in a resolution earlier this year decided that the title of the 1995 conference should be the "Fourth World Conference on Women: Action for Equality, Development and Peace" with the purpose of discussing the further advancement of women's status and their role in all fields.

The Chinese delegate said that the Chinese Government is ready to contribute to this conference of major significance by providing sites and facilities whereby women from various countries can enhance their mutual understanding, strengthen their cooperation and discuss their common cause so that their initiatives can converge into a tremendous force propelling the realization of the strategy.

She said the Chinese Government has always attached importance to and advocated for strengthened exchanges between Chinese women and women of other countries in the world. Chinese women have actively participated in U.N.-sponsored activities related to women.

She said China is among the first to accede to and ratify the convention on the elimination of all forms of discrimination against women. It has maintained good cooperative relations with the United Nations Fund for the Development of Women and also cooperated with relevant U.N. organs and agencies on many occasions in organizing seminars on issues related to women.

She pointed out that the international community attaches the ever-increasing importance to the issue of women and its recognition that the emancipation of women and their equality with men are a measurement of progress of the human society, and that the advancement of the status of women is commanded by the development of history itself.

'Weekly Roundup' on Soviet Aid; Kim, Do Visits

HK1610121991 Hong Kong TA KUNG PAO
in Chinese 13 Oct 91 p 2

["Weekly Roundup" by Kung Yao-wen (7895 5069 2429): "Korea, Vietnam, and Cuba After Suspension of Soviet Aid"]

[Text]

China, Korea, and Soviet Union To Set Up Tumen Jiang Special Economic Zone

An international conference is scheduled in Pyongyang on the 15th of this month to discuss how to put into effect the "Tumen Jiang Valley Economic Development Plan," which was jointly planned and prepared by China, Korea, and the Soviet Union.

It is a brand-new concept in Asia for China, Korea, and the Soviet Union, which are neighboring states, plus South Korea and Japan, to join in planning the development of the Tumen Jiang valley. A boundary river between China and Korea, the Tumen Jiang is situated in Yanbian Chaoxian Autonomous Prefecture in China's northeastern province of Jilin. In its upper reaches there is Tumen city, to the north there is Vladivostok (formerly called Haishenwai) of the Soviet Union, and to the south there are Rajin and Chongjin of Korea. The Tumen Jiang flows east to the Sea of Japan and then to the north Pacific. If China, Korea, and the Soviet Union open a trade zone or develop a special zone in this important place, its products can be

transported to other parts of the world through the Sea of Japan. South Korea said that it will certainly participate in the conference to be held on the 15th, and that its principal representative will be Kim In-ho of the Ministry of Economic Planning. Seoul also proposed contributing a \$5 million share of the survey cost for the development of the Tumen Jiang economic valley.

The Korean Government has also decided to take the Sonpong area near the mouth of the Tumen Jiang as a center and set up a Chinese-style special economic zone to welcome investments from other countries. This zone will serve as a foreign trade base for contact with China, the Soviet Union, and Japan. In addition to South Korea, Mongolia and Japan will also send personnel to make on the spot inspections.

Kim Il-song's China Visit

Following the drastic changes in the country, the Soviet Union has substantially reduced or even suspended economic aid to Korea, Vietnam, and Cuba. Kim Il-song's current visit to China is to explore the issue of Sino-Korean economic cooperation. At present, countries such as Korea, Vietnam, and Cuba, which previously depended on Soviet aid, must conscientiously reform their economic policies instead of relying further on the Soviet Union. In fact, it is already impossible to rely on the Soviet Union. They must open another path. Kim Il-song has stayed in China for 12 days during his current visit, which is unusually long. He has been to Shandong and other places to make inspections. Following the suspension of Soviet aid, Korea's energy source has been cut off, and China has its own difficulties. It is extremely difficult for China to solve even the problem of a net population increase of 17 million annually and the problem of floods in various places this year. China's strength is limited.

On the question of UN inspection to determine whether Korea is developing nuclear weapons in its territory, China's stand is that it hopes neither North nor South Korea possesses nuclear weapons. Viewed from these two points, China and Korea are concentrating on economic cooperation, and the previous vehement emphasis on "great, selfless" unilateral aid has been proved inconsistent with reality. Each country must rely on its own strength vigorously to carry out reform and opening up and take part in world economic cooperation to seek a way out.

Vietnamese Party Leader To Visit China on 5 November

The same is true of Sino-Vietnamese relations. Do Muoi, general secretary of the Communist Party of Vietnam, is scheduled to visit China from 5 to 10 November. The two countries are expected to officially announce the resumption of diplomatic relations [fu jiao 1788 0074] after the signing of the Cambodian peace accord in late October and the meeting of the two sides' top party and government leaders.

The resumption of diplomatic relations between China and Vietnam does not mean returning to the "comradely plus fraternal relationship" of the 1950's and 1960's, but rebuilding good-neighborly relations of economic cooperation, equality, and mutual benefit in strict accordance with the five principles of peaceful coexistence.

The air route between Hanoi and Guangxi's Nanning will open. Repairs to the Sino-Vietnamese international railway, which has suspended operations for 13 years following the deterioration of Sino-Vietnamese relations in 1978, also started on the 11th in Guangxi, which borders Vietnam.

Cuba Is Leading a Hard Life

At the Fourth National Congress of the Cuban Communist Party, which opened on 10 October, Castro delivered a speech stressing adherence to socialism. He said: "Surrounded by the great ocean of capitalism, Cuba can only rely on itself to solve its own problems." Talking about economic issues, he said that "there is no contradiction between foreign investment on the one hand and socialism, Marxism-Leninism, and revolution on the other."

With reduced Soviet aid, Cuba faces immediate difficulties in crude oil supply. Cuba consumes 13 million tonnes of crude oil a year, but supplies from the Soviet Union have dropped to 10 million tonnes and will be further reduced in the future. Calculated in terms of international prices, even if Cuba exports all its sugar, it will still be unable to buy 10 million tonnes of crude oil.

Today, the number of cars running in the downtown area of Havana is less than half what it was last year. Each car is allowed 50 liters of petrol a month. Cuba has always relied on the Soviet Union for its grain. Take 1989 as an example. Cuba's trade volume with the Soviet Union alone accounted for over 30 percent of its total social production, about 8.7 billion pesos (the official exchange rate is 1 peso to 1.3 U.S. dollars) in value.

In September, a delegation of the CPC Central Committee's International Liaison Department visited Cuba. There is news that Fidel Castro will probably visit China in December. There has been no growth in Sino-Cuban trade since 1988, but the total volume is only \$400-500 million.

Cuba is now vigorously opening up tourism and warmly welcomes tourists from other countries. However, its difficulties are deepening and, with eggs, bread, and electricity rationed, residents often do not know what they can buy today.

Once Soviet aid is cut, Korea, Vietnam, and Cuba, which have long relied on Soviet aid in the past, must go through a difficult process. In 1960 Khrushchev suddenly cut off all Soviet aid to China and forced it to repay its debts, but China held out by gritting its teeth. We should not entertain the idea of relying on other countries but should be self-reliant, carry out constant reforms, and open to the outside world. In due time we shall be able to extricate ourselves from a difficult position.

Soviet, Israeli Foreign Ministers Meet

OW1710232991 Beijing XINHUA in English
2053 GMT 17 Oct 91

[Text] Cairo, October 17 (XINHUA)—Soviet Foreign Minister Boris Pankin held talks with his Israeli counterpart David Levy soon after his arrival in Jerusalem earlier today, reports reaching here from Jerusalem said.

The two ministers discussed both the peace process and possible renewal of diplomatic ties at the more-than-two-hour meeting, and will continue talks Friday.

In a statement issued by Pankin and Levy after emerging from their talks, the two considered the talks to be "frank and constructive."

Pankin arrived in Israel earlier today amid expectations that Moscow would soon resume full diplomatic relations with the Jewish state after a 24-year severance.

On arrival at Tel Aviv Airport, Pankin said, "We stand ready to do our best to remove the barriers that stood in the way of normal civilized relations between our nations."

The top Soviet diplomat also said he hoped his talks in Israel would lead to convening Arab-Israeli peace negotiations.

His trip came in line with U.S. and Soviet efforts to finalize the arrangements for convening a Middle East peace conference to settle the decades-long Arab-Israeli conflict.

In Moscow, Soviet President Mikhail Gorbachev today told visiting Israeli opposition leader Shimon Peres that the Soviet Union will restore full diplomatic relations with Israel as soon as the date of a Middle East peace conference is set.

The Soviet Union severed its relations with Israel following the 1967 war, when Israel captured the West Bank, Gaza Strip, Golan Heights and Sinai Peninsula from Arab states allied with the Soviets.

Relations between Moscow and Tel Aviv have made steady headway in the past three years, as Gorbachev has allowed more than 300,000 Soviet Jews to emigrate to Israel.

Israel reopened its consulate in Moscow in February. But the Soviets have conditioned the resumption of full diplomatic ties, including reopening embassies and exchanging ambassadors, on the convocation of the Middle East peace conference.

Pankin's current tour of Israel was the second visit by a Soviet foreign minister. On May 11, Pankin's predecessor Aleksandr Bessmertnykh paid a six-hour official visit to Israel before a trip made by U.S. Secretary of State James Baker.

Pankin is scheduled to meet Baker in Jerusalem tomorrow.

United States & Canada

Canadian Agriculture Minister To Visit 24-25 Oct

OW1710055091 Beijing XINHUA in English
0154 GMT 17 Oct 91

[Text] Ottawa, October 16 (XINHUA)—Canadian Agriculture Minister William McKnight will visit China on October 24-25 to meet with Chinese senior officials to explore trade opportunities.

McKnight will be the first full minister to visit China since mid-1989. Canada has limited bilateral exchanges to deputy ministerial level since then.

Announcing McKnight's China visit, the news release from the agricultural ministry said that while in Beijing the minister will look at opportunities for the Canadian agri-food industry as well as other trade-related issues.

The escalating grain export subsidy war between the European Community and the United States has drastically driven down the grain prices on the world market, which has caused a disastrous impact on Canadian farm industry.

As a result, Canada is desperately trying to secure reliable grain market following a near-record wheat harvest this year.

The release said China represents the number one market for Canadian grains, with sales of 831.5 million dollars in 1990. This year also marks the 30th anniversary of the long-term Canada-China wheat agreement.

Apart from grains, China is also the second largest customer for Canadian potash, next only to the United States. Potash sales to China last year was 153 million dollars.

Prior to his China visit, McKnight will travel to Tokyo, Japan, on October 21 to kick off the Canada meat week and explore trade opportunities for the Canadian agri-food industry.

U.S. Takes New Approach in Space Defense Talks

OW1610015191 Beijing XINHUA in English
2202 GMT 15 Oct 91

[Text] Washington, October 15 (XINHUA)—The Bush Administration, determined to put a strategic anti-ballistic missile system in place, today announced a new approach to the space defense negotiations with the Soviet Union.

"The United States is now prepared to discuss limits on the scope and timing of defense deployments, consistent with the President's direction to pursue a system providing global protection against limited strikes (GPALS)," White House spokesman Marlin Fitzwater said in a statement.

Previously, the United States sought unlimited deployments of space defense systems and the softening of the U.S. position was apparently designed to make it easier

for the Soviets to accept its requirement for deploying GPALS, a scaled-down version of "Star Wars" Strategic Defense Initiative (SDI).

On September 27, while announcing a nuclear arms reduction initiative, U.S. President George Bush called on the Soviets to permit the GPALS deployment and Soviet President Mikhail Gorbachev responded with proposals for further talks on the issue and a joint early warning system against missile attack.

The U.S. deployment of large-scale anti-ballistic missile [ABM] system will require an agreement with the Soviet Union or an amendment to the 1972 U.S.-Soviet anti-ballistic missile treaty which allows ABM protection for one place each.

Fitzwater said that the new position, which will be taken up by U.S. delegates to existing negotiations in Geneva, "builds on the climate reflected by the President's nuclear initiative and the positive Soviet response."

It "should make it possible to reach an agreement facilitating the deployment of ballistic missile defenses to protect against accidental, unauthorized or third country launches," he said.

Fitzwater's statement also called on the Congress to support the new SDI program, saying that "as we pursue an agreement in Geneva, it is essential for Congress to do its part by supporting our efforts there and by funding the strategic defense initiative at a level that will enable us to deploy ballistic missile defenses at the earliest point feasible."

Soviet Union

CPC Issues 'Consensus' on Soviet Changes

HK1810075491 Hong Kong PAI HSING in Chinese
No. 250, 16 Oct 91 p 3

[Article by special correspondent: "CPC's 10-Point Consensus on CPSU Changes"]

[Text] The conservative faction of the CPC cut a contemptible figure from the launching of the Soviet coup to its failure. At first, leftist princes and stalwarts like Deng Liqun and Wang Renzi cautioned the lower levels, saying: "Do not be visibly pleased," which implies that there is no harm in being pleased at heart. When news of the failed coup came, however, they seemed panic-stricken and could not but "turn sorrow into strength."

To seek a common understanding, the CPC, under Deng Xiaoping's leadership, worked out a "10-point document" as a "consensus." But it was only relayed to the provincial or army level. According to sources in Beijing:

The "10-point document" stresses that the CPC Central Committee's previous criticisms of Gorbachev were far-sighted. Gorbachev should be held responsible for the setback of Soviet communism; because he betrays communism, he has eaten his own bitter fruit. In line with

the principle of "keeping inside information from outside," the CPC should not openly criticize the CPSU but should only say that we respect the choice of the people of each country.

The CPC itself still takes as the criterion the 24-character principle meaning: Observe soberly, secure our position, deal with the situation calmly, hide our capacities and bide our time, be adept in remaining free from ambitions, and never take the lead.

Have a pretty good idea of the situation, refrain from being misled by some international phenomena, keep a clear head, and unswervingly follow the socialist path with Chinese characteristics.

Step up the study of Marxism-Leninism-Mao Zedong Thought, master the ideological weapon, and correctly analyze the situation.

Persist in taking economic development as the key link and develop the socialist productive forces; at the same time, persist in reform and opening up and oppose bourgeois liberalization.

Go in for water conservation work in a big way, develop agriculture, concentrate forces on running well large and medium-sized state enterprises, and increase the vitality and economic returns of state enterprises.

Strengthen the people's democratic dictatorship and improve the multiparty cooperation and political consultation under the leadership of the party.

Conscientiously launch education in opposing peaceful evolution, and step up education in revolutionary history and traditions among young people.

Step up ideological education in the Army and place the Armed Forces under the party's absolute leadership.

Persist in the independent foreign policy of peace and strive for a peaceful and tranquil international environment; at the same time, step up diplomacy toward the United States and the work of peacefully reunifying Taiwan.

The general guideline of the 10-point document is what Deng Xiaoping put forward: "Work vigorously to invigorate the nation; engaging in empty talk will harm the nation."

According to sources in Beijing with access to Deng Xiaoping's office, after the failure of the Soviet coup, Jiang Zemin went to Deng's home to ask for instructions. Deng's instruction was: "No matter how the international situation changes, the key lies in running domestic matters well. And to run domestic matters well, the key lies in continuously grasping one center and two basic points, and developing the economy." Deng also pointed out, Deng Liqun's thesis ("When political power is not in our hands, the fruit belongs to other people even if the economy has developed") puts the cart before the horse.

Heilongjiang Opens Water Route to Soviet Union

SK1710141391 Harbin Heilongjiang People's Radio
Network in Mandarin 1000 GMT 16 Oct 91

[Text] To meet the demands of the Sanjiang Industrial Zone for conducting economic and technological cooperation and cultural exchange with foreign countries, the water route between Jiamusi and Khabarovsk in the Soviet Union was formally opened to traffic on 16 October with the State Council's approval. The first Soviet passenger ship arrived in Jiamusi on the afternoon of 16 October, and the Chinese passenger ship will set sail on 17 October.

Soviet Defense Ministry Welcomes NATO Role

OW1210022091 Beijing XINHUA in English
0142 GMT 12 Oct 91

[Text] Moscow, October 11 (XINHUA)—The Soviet Defense Ministry welcomes the idea put forward by the North Atlantic Treaty Organization (NATO) about changing its mission in a new international situation, the spokesman for the ministry, Valeriy Manilov, said today.

In an interview with TASS News Agency, Valeriy Manilov said that it is pleased that NATO has adjusted its own tasks and goals in response to a changing world.

The secretary general of NATO, Manfred Woerner, recently told the National Broadcasting Corporation (NBC) of the United States that the main task of the organization today was to solidify the security structure in all of Europe, including the Soviet Union.

Dispute on October Revolution Celebrations Noted

OW1810050291 Beijing XINHUA in English
0152 GMT 18 Oct 91

[Text] Moscow, October 17 (XINHUA)—Controversies have come to the fore in the Soviet Union over the issue whether the October Revolution should be still celebrated which led to the creation of this country.

The Soviet weekly GLASNOST today published a leaflet issued by the Moscow Workers' Committee, which calls on workers, employees, college students and soldiers to take to the streets on November 7 when the October Revolution took place 74 years ago.

The leaflet also carried slogans reading "Safeguard the Soviet of the working people," "Distribute commodities under the supervision of the workers", and "Down with the politicians who have betrayed the motherland".

According to recent Soviet press reports, a senior official of the Moscow Municipal Government has proposed to the Russian Supreme Soviet and Moscow Mayor Gavril Popov that the national holidays on November 7 and 8 be shifted to December 30 and 31.

There were also reports saying that no military parades or mass rallies will be organized. But a Soviet presidential

spokesman told a press conference on October 16 that people will still enjoy holidays during the anniversary.

Official on Economy's 'Worrisome' Performance

OW1710055291 Beijing XINHUA in English
0157 GMT 17 Oct 91

[Text] Moscow, October 16 (XINHUA)—The Soviet economy continued to deteriorate in the first three quarters this year with the industrial production dropping by 6.4 percent compared with the same period of last year, according to the State Statistical Committee.

An official of the committee told a press conference here today that in the first nine months this year, the capital goods production was down by 7.5 percent while the consumer goods production by 3.5 percent. [sentence as received]

By September 30, the official said, harvest work on 92 percent of the country's arable land had been completed. But the threshed grain crops totaled only 146.6 million tons, 26 percent less than the same period of last year.

The volume of purchased potatoes and vegetables was also lower than that of last year.

The official told reporters that the foreign trade performance in the period was also worrisome with turnover dipping by 38.1 percent.

Meanwhile, a signed article in the Soviet newspaper PRAVDA today said the Soviet economy is now seriously threatened by the galloping inflation.

It disclosed that in January 1 this year, a total of 733 billion rubles (about 460 billion U.S. dollars at the official Soviet exchange rate) were in circulation, up by 78 percent over 1987.

But in the first half of this year, ruble supplies saw a 44 percent increase. Moreover, the value of new banknotes put into circulation in August alone amounted to that of the whole year of 1990, according to the article.

Northeast Asia

DPRK Premier Meets RENMIN RIBAO Editor

HK1810111891 Beijing RENMIN RIBAO in Chinese
16 Oct 91 p 6

[By reporters Zhou Bizhong (0719 1801 0022) and Liu Huaxin (0491 5478 2450): "Korean Premier Yon Hyong-Muk Meets RENMIN RIBAO Editor in Chief, Says Kim Il-song's Visit to China Is of Historic Significance"]

[Text] Pyongyang, 15 Oct (RENMIN RIBAO)—Yon Hyong-muk, member of the Central Politburo of the Workers' Party of Korea and premier of the Administration Council, said here today that President Kim Il-song's recent visit to China is of historic significance to

consolidating and developing the traditional friendship between the two parties, two countries, and two peoples of Korea and China.

Yon Hyong-muk made the above remark while meeting with the delegation of China's RENMIN RIBAO, headed by editor in chief Shao Huaze, at the Mansudae Assembly Hall. He said: The friendly ties between Korea and China are now developing smoothly and very well. The Korean-Chinese friendship cultivated by President Kim Il-song and Chairman Mao Zedong, Premier Zhou Enlai, and Comrade Deng Xiaoping has taken root deeply in the hearts of the two peoples. No matter how the world situation will change, Korean-Chinese friendship will not change and is everlasting.

Yon Hyong-muk said: Under the correct leadership of the CPC with respected General Secretary Jiang Zemin as the core, the Chinese people have been upholding the four cardinal principles and adhering to reform and opening up, and have scored tremendous achievements in building socialism with Chinese characteristics. Korea appraises this positively. He said: Things in China are well handled, and we feel as happy about it as we do about our own achievements.

When touching on the situation on the Korean peninsula, Yon Hyong-muk said: Because both the northern and southern sides of Korea have joined the United Nations, the headquarters of the UN forces stationed in South Korea should be disbanded, the United States should withdraw its army and nuclear weapons from South Korea, and the armistice signed during wartime should be replaced by a peace agreement, making the Korean peninsula a nuclear-free zone. The two sides of Korea should sign a declaration of mutual nonaggression and terminate their tense political and military confrontations. Korea can only be peacefully unified under a confederal system. Any attempt to unify the nation under a unified system is impractical and will not work.

Shao Huaze first extended congratulations to President Kim Il-song on the fine success of his visit to China. He said: We of the RENMIN RIBAO delegation have felt the profound feelings of friendship the Korean people cherish toward the Chinese people wherever we have been. He stated that RENMIN RIBAO will, as before, continue to make its contributions to consolidating and developing Sino-Korean friendship.

Also present at the meeting were Hyon Chun-kuk, editor in chief of Korea's NODONG SINMUN, and Jiang Zhengcai, charge d'affaires ad-interim of the Chinese Embassy in Korea.

The RENMIN RIBAO delegation came to Pyongyang on 7 October for a friendly visit to Korea upon the invitation of Korea's NODONG SINMUN. Shao Huaze and his party will wind up their visit and return to China tomorrow.

Commentary Views Growing Friendship With DPRK

SK1610125391 Beijing Radio Beijing in Korean
1100 GMT 15 Oct 91

[Commentary by station commentator: "China-Korea Friendship Grows Warmer in Proportion to the Passage of Time"]

[Text] Having successfully concluded his visit to China, Comrade Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee and president of the DPRK, left Nanjing for home by a special train on 13 October, carrying with him our people's warm feelings toward the Korean people.

As the train blew its whistle at 1800 sharp on 13 October, President Kim Il-song, smiling broadly, reluctantly left the crowds who were there to see him off.

At last, the sounds of the wheels in motion, the crowds' cheers, and drum beatings inside the railway compound combined to create a chapter of friendship and move the onlookers.

President Kim Il-song came to China, carrying with him the warm friendship from the Korean people, at a time when the 110 million Chinese people had just celebrated their national holiday a few days ago in the golden month of October.

President Kim Il-song is a close friend of the Chinese people. Over the years, the leaders of the two countries, China and Korea, have hardened and developed, without a pause, the friendship between the two countries through their mutual visits in a manner similar to visiting relatives.

The goal of President Kim Il-song's visit to China this time around was to deepen the traditional friendship between the two parties, two states, and peoples of the two countries even further.

During his 10-day stay in China, President Kim Il-song was warmly met by the party and state leaders such as Comrade Jiang Zemin, general secretary of the CPC Central Committee; Comrade Yang Shangkun, president of the PRC; Comrade Li Peng, premier of the State Council; and Chairman Wan Li.

In his meetings with President Kim Il-song, which were held in a serious and friendly atmosphere, General Secretary Jiang Zemin exchanged opinions on bilateral issues and international matters of mutual concern, mutually deepening their understanding.

Expressing their satisfaction with the friendly China-Korea relations that develop with each passing day, the leaders of the two countries said they will do their best to propel the traditional friendly relations between China and Korea even a bit further.

In addition to Beijing, President Kim Il-song visited Shandong and Jiangsu. General Secretary Jiang Zemin made a special trip to Nanjing from Beijing to guide President Kim Il-song.

The welcome visitors from Korea received a splendid reception from the Chinese people wherever they went—in the broad land of Shandong, on the banks of the long rivers, and at ancient canals.

President Kim Il-song highly rated the socialist construction and superior and traditional culture in our country.

His visit this time around has adorned a new chapter in the history of China-Korea friendly relations.

China and Korea are close neighbors sharing common mountains and rivers and are in a relationship as close as lips and teeth. The peoples of the two countries are close comrades-in-arms and brothers.

The peoples of China and Korea have shared life and death, weal and woe, with each other in the past difficult times.

Both China and Korea now face a common task to develop socialist construction and consummate the cause of national reunification, and create a peaceful international environment, and, in particular, support each other.

Over a long period of time, the China-Korea friendship has developed without interruption and their relations of friendship and cooperation have developed stably in many areas—political, economic, cultural, and scientific and technological, as well as in the field of personnel exchanges.

The China-Korea friendship, established and nurtured by President Kim Il-song and by such veteran proletarian revolutionaries as Mao Zedong, Zhou Enlai, and Deng Xiaoping, with its roots deep in the minds of the peoples of the two countries, is getting warmer with the passage of time.

The Chinese people value the deep friendship between China and Korea more than anything else.

At a time when President Kim Il-song has concluded his visit to China successfully, we are firmly convinced that the China-Korea friendship, which has braved the difficulties of history, will develop from generation to generation and will be immortal.

WPK Says Kim Il-song Visit 'Fruitful'

OW1710114291 Beijing XINHUA in English
0919 GMT 17 Oct 91

[Text] Pyongyang, October 17 (XINHUA)—The Workers' Party of Korea (WPK) in a meeting today spoke highly of the fruitful visit to China by President Kim Il-song.

A communique of the meeting said the visit conducted by President Kim Il-song between October 4 and 13 has

further developed WPK's close relations with the Chinese Communist Party and Chinese leaders.

According to "NODONG SINMUN," the party's Politburo held a meeting on Wednesday to discuss the results of Kim's visit. A communique was issued on this event.

During the visit, it noted, President Kim Il-song had substantial talks with Chinese leaders Jiang Zemin, Yang Shangkun and Li Peng and achieved identical views on all issues they discussed.

At the Politburo meeting, Kim Il-song highly appraised the tremendous achievements gained by the Chinese people under the leadership of the Chinese Communist Party in building socialism with Chinese characteristics.

The Politburo expressed firm determination to defend the socialist cause under any circumstances till its final triumph, it said.

Daily on Peaceful Reunification of Korea

HK1810095591 Beijing RENMIN RIBAO in Chinese
10 Oct 91 p 6

[Article by staff reporter Xu Baokang (1776 1405 1660): "Korean People's Long-Cherished Wish: Peaceful Reunification of Motherland"]

[Text] The Korean peninsula, usually called "a beautiful land of three thousand li," was a unified country in its long history, in which Koreans lived as a united nationality. In the early years of the 20th century, the Japanese colonialists annexed Korea. In 1945, Korea was liberated from Japanese colonial rule, but was artificially split into two parts, i.e., South and North. Over almost half a century, the Korean people have suffered a great deal from being separated, and their aspirations for peaceful reunification have become an irresistible trend of the times.

To strive for reunification of the motherland, the Workers Party of Korea [WPK] and government of the Republic have made unremitting efforts, repeatedly pointing out that it is a misfortune of the nation that the Korean peninsula has been artificially split into two parts, and that realization of peaceful reunification will enable the Korean nation to embark on the course of prosperity and happiness. In the early years of liberation, President Kim Il-song proposed a tentative plan to build up Korea into a unified, democratic, and independent country. In 1953, when the Korean war ended, the DPRK again put forward a proposal to settle the problem of peaceful reunification of the motherland through political consultations between the North and the South. Over the past few years, the North Korean party and government have successively proposed various plans and principles of independence and peaceful reunification. On 10 October 1980, at the Sixth WPK National Congress, President Kim Il-song made a proposal to establish a democratic confederal republic of Korea, suggesting that a unified country be formed with the two ideologies and social systems of the North and

the South coexisting, so as to turn the Korean peninsula into a region of lasting peace as well as a nuclear-free zone. This reasonable proposition is in keeping with the interests of the entire Korean people and is beneficial to peace both in the Korean peninsula and in Asia. Therefore, it has been appreciated and supported by the international community. The proposal points to the correct way of peaceful reunification of Korea and plays a positive role in breaking the long-standing deadlock in the Korean peninsula.

In 1984, when some areas in the southern part of Korea were badly hit by torrential rains, the Central Committee of the Korean Red Cross Society decided to present, as a token of compatriots' sympathy, large quantities of grain, cloth, cement, and medicine to the disaster victims, thus opening the gate sealed off between the North and the South for 39 years. In September the next year, art ensembles and hometown visiting groups from both sides visited each other. As it was the first exchange of personnel since the separation, all the Korean people, without exception, were filled with exultation.

After entering the 1990's, the atmosphere of reconciliation in the Korean peninsula has been more noticeable. There has emerged a situation, the most lively one since 1985, in the dialogues between the North and the South. In September last year, the prime ministers of North and South Korea at last came to the table for the first time after 45 years of separation and confrontation to talk face to face over the issue of peaceful reunification of Korea. It was a good beginning to the long-cherished aspiration of the Korean people, and it aroused great attention from the international community. Last year, gratifying progress was made in sports, as well as cultural and art, exchanges between the two Koreas. The situation in the Korean peninsula is gradually heading for relaxation, and relations between the North and the South have improved to some extent. All this is in line with the interests of the Korean people and with the aspirations of all the peoples in Asia.

Early this year, President Kim Il-sung once again definitely stressed in his New Year message: We must not let the separation of our country last longer than half a century. Given the actual condition of the two different systems existing in the North and South, the reunification of motherland should be carried out in light of the principle that one shall not swallow up the other, and in the form of a confederal system on the basis of "one nation, one country, two systems, two governments." President Kim Il-sung's tentative idea will undoubtedly set off a new upsurge in the cause of peaceful reunification of Korea. People are delighted at seeing that in April and June this year, the two Koreas formed united teams of athletes to take part in the 41st World Table Tennis Championship and the Sixth World Youth Soccer Championship. On 17 September, both North and South Korea were admitted as members of the United Nations. In late October, the prime ministers from the North and the South will resume talks and hold the fourth round of negotiations.

The reunification of Korea will be finally achieved through dialogues and negotiations between the two sides. At present, North and South Korea are approaching each other, and the efforts made by the Korean governments for the great cause of national reunification have created a good condition for the Korean people assiduously seeking the reunification of their motherland. So long as there is no external intervention, and so long as both sides keep up the dialogues and negotiate sincerely, there will certainly be bright prospects for the peaceful reunification of North and South Korea. Like all the peace-loving people in the world, the Chinese people hope that the Korean people will score new achievements in the great cause to strive for independence and peaceful reunification of their motherland.

S. Korean Unification Minister's Speech Noted

SK1710143091 Beijing Radio Beijing in Korean
1100 GMT 15 Oct 91

[Text] A South Korean broadcasting station has reported that during yesterday's report to the Standing Committee of the Council for Peaceful Unification in Seoul, Choe Huchung, deputy prime minister and minister of the National Unification Board of South Korea, said that the proposal by the North Korean side to turn the Korean peninsula into a nuclear-free zone would be discussed during the fourth North-South Korean premiers' talks scheduled to be held in Pyongyang from 22 October. He also said that the issue of peace on the Korean peninsula must be resolved through negotiations by North and South Korea—the parties concerned. He also said that the signing of a nonaggression declaration depends on whether mistrust can be eliminated concerning military confrontation between North and South Korea.

NPC's Wan Li Meets Japanese Entrepreneurs

OW1710125991 Beijing XINHUA in English
1211 GMT 17 Oct 91

[Text] Beijing, October 17 (XINHUA)—Wan Li, chairman of the Chinese National People's Congress Standing Committee, met today in Beijing with a delegation from Japan's Kyoto Junior Chamber Incorporated (KJCI).

This marks the first occasion on which a delegation from KJCI—an organization made up of mostly young and middle-aged entrepreneurs—has visited China. The delegation which is led by Soshi Sen, chairman of the KJCI Council, is here to exchange views with the Chinese counterparts on economic and trade issues, and to study enterprises in China.

Sen, who is also the vice-president of the Urasenke Tea Ceremony School and a direct descendent of the school's founder, is accompanied by his wife Nasako Sen, a princess in the Japanese Imperial Family.

Wan expressed a warm welcome to the delegation and said that the current visit will help further develop

friendly economic ties and cooperation, especially between the younger generations of the two countries.

Wan also expressed hope that in the ensuing generations the youth of the two nations will carry on the Sino-Japanese friendship established by the older leaders of the two countries.

The congress chairman noted that at present, the key task facing China is to develop its economy, and science and technology. He added that China, which has a population of over 1.1 billion, provides the world with a huge potential market.

Wan pointed out that a developed China will further help promote Sino-Japanese economic and trade relations. He expressed hope that the two countries will continue to strengthen contacts and develop friendly cooperation on the basis of equality and mutual benefit.

Sen said that Japan and China should join in a whole-hearted effort to develop friendship, and economic and trade ties.

Wan also answered a number of questions presented by members of the Japanese delegation.

Sun Pinghua, president of the China-Japan Friendship Association (CJFA), was present at the meeting.

The delegation is visiting China at the invitation of CJFA.

Guangxi Secretary Meets Japanese Delegation

HK1810093991 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 11 Oct 91

[Excerpts] A nine-member Japanese Kumamoto Prefectural Government delegation headed by prefectural Governor Joji Urashima concluded its visit and left Nanning today.

During the delegation's visit in Nanning, regional party committee Secretary Zhao Fulin, regional government chairman Cheng Kejie, and regional People's Congress Standing Committee Chairman Gan Ku met with the delegation on separate occasions.

When meeting with the Japanese guests, Zhao Fulin said: It is nine years now since Guangxi Region and Kumamoto Prefecture established friendly ties. Over the past nine years, both sides have conducted fruitful cooperation in a variety of spheres, including the agricultural, economic and trade, cultural, educational, medical science, and sports spheres. I hope such cooperation will witness further expansion in the years to come.

Joji Urashima, governor of Kumamoto Prefecture, said: The year 1992 will mark the 10th anniversary of the establishment of friendly ties between Guangxi Region and Kumamoto Prefecture. We should celebrate the 10th anniversary on a grand scale. The best celebration, I believe, is our joining hands in further invigorating and substantiating our bilateral cooperation in all spheres. A

Guangxi delegation headed by Chairman Cheng Kejie visited Kumamoto Prefecture in June of this year. This time, we have met once again in Nanning. We are very happy to see each other again.

Chairman Cheng said: We greatly treasure the friendship between Guangxi and Kumamoto. China and Japan are close neighbors separated by only a strip of water and have had good relations of cooperation. Guangxi and Kumamoto should carry out more extensive bilateral exchanges. The year 1992 will mark the 10th anniversary of the establishment of ties between Guangxi and Kumamoto. We will hold grand, enthusiastic, and practical celebration activities. [passage omitted]

During his meeting with the delegation, Chairman Gan Ku extended welcome to the Japanese guests on behalf of the people of all nationalities in Guangxi and briefed the guests on the situation concerning the people's congress system upon request.

Regional leaders, including Ding Tingmo, Jin Baosheng, Chen Ren, and Liang Chengye, were present during the separate meetings.

Also present during the separate meetings were responsible persons of various departments concerned and Nanning City, including Zhang Guanghao, Yang Jitang, Wei Anji, Liang Ziwei, Xue Ruxuan, and others. [passage omitted]

Japan-U.S. Military Maneuvers Scheduled

OW1710151791 Beijing XINHUA in English 1501 GMT 17 Oct 91

[Text] Tokyo, October 17 (XINHUA)—Japan and the United States will begin a live-fire military exercise on November 11, the Japanese Defense Agency said today.

About 1,700 troops from Japan's ground Self-Defense Force and 500 U.S. infantry troops from Hawaii will take part in the exercise, which will be held between November 11-25 at the Hijudai Military Exercise Field in Oita Prefecture in western Japan.

The exercise will involve 14 tanks, 13 howitzers, 22 trench mortars, about 200 military vehicles, and F-1 fighter jets.

Four New Entry Posts Open in Inner Mongolia

SK1610084791 Hohhot NEIMENGGU RIBAO in Chinese 25 Aug 91 p 2

[By Zhao Yongnian (6392 3057 1628): "New Highway Entry Posts Open in China-Mongolia Border Areas"]

[Text] The four new highway entry posts of Erenhot, Arihashate, Zhuengadabuqi, and Ganqimaodao opened by our region in the border areas of China to Dзамын Uud, (Habiriga), (Biqigetu), and (Gashunsuhaitu) of

Mongolia were officially put into operation. An agreement on China-Mongolia border entry posts administration system and motor vehicle transportation of the two countries was signed in Beijing on 24 June.

People in the border areas of China and Mongolia asked for establishment of more entry posts to provide more conveniences for them to visit relatives and conduct friendly exchanges and to promote border barter trade and economic and technological cooperation. For this reason, delegations from the Chinese and Mongolian governments held two sets of talks in Ulaanbaatar and Beijing last November and April, respectively, and decided to open these entry posts. According to the agreement, Erenhot and Dzamyn Uud are entry posts for highway passengers and cargo transportation opened throughout the year and the others are entry posts opened during certain definite periods. Defined open areas include 15 border banners and cities of our region and 26 neighboring border counties of the Mongolian People's Republic. To simplify exit and entry procedures and provide conveniences to legal exchanges, border trade personnel (including drivers and workers), border work personnel, border entry post examination and inspection personnel, people of the border areas of one side who wish to visit the relatives in the border areas of the other side, and personnel invited to attend the activities of the counterpart border areas may leave and enter the country with the "border area exit and entry pass" signed and issued by designated pertinent departments. Border trade personnel and transportation of both sides should leave and enter their counties through the designated posts and unload their goods in the designated cargo yards. Marks acknowledged by both sides should be placed on the transportation. As of now, goods have been delivered through the entry post of Ganqimaodao on three occasions, and through the entry post of Arihashate on two occasions. The volume of the border trade totaled about 4.7 million Swiss francs. The three entry posts opened seasonally are open from 1 to 15 January, April, July, and October. No entry post examination and inspection organ is established for these seasonal posts. During the open periods, the supervision, examination and inspection work is carried out by the personnel sent from the custom houses, border inspection stations, sanitation inspection centers, animal and plant quarantine centers, and commodity inspection bureaus of the entry posts of Manzhouli and Erenhot.

Tianjin-Ulaanbaatar Railway Transit Service Opens

SK1810052391 Tianjin TIANJIN RIBAO
in Chinese 29 Aug 91 p 1

[Text] In mid-August, after a successful test operation of the Tianjin-Erenhot-Ulaanbaatar railway transit transport service, a part of the Tianjin-Europe continental bridge, the commercial bond warehouse of Tianjin Harbor organized the first ever highway transit transport service to Mongolia. Under this highway service, both the Chinese and Mongolian motorcades can safely transport petroleum equipment, imported from the United

States, to the People's Republic of Mongolia via Tianjin Harbor. This marks the opening of the transport services between Tianjin Harbor and Mongolia.

The Mongolian People's Republic is a landlocked country. In the past, goods were imported or exported mainly via ports in the Far East Region of the Soviet Union. Since September 1989, by taking advantage of favorable geological conditions whereby Tianjin Harbor is the nearest international harbor to Mongolia, the commercial bond warehouse of Tianjin Harbor has voluntarily established professional relations with foreign trade departments of Mongolia, has gone through various formalities for Mongolia, and has taken the lead in testing railway transportation to Mongolia. Over the past two years, some 800 international standard containers of goods have been transported to Mongolia through this railway transport service. Officials of the Mongolian Embassy to China and pertinent officials of the Mongolian side have come to Tianjin Harbor to conduct investigations. They expressed their satisfaction with the quality of the transit transportation.

Near East & South Asia

Air Force Chief of Staff Arrives in Pakistan

OW1710172391 Beijing XINHUA in English
1623 GMT 17 Oct 91

[Text] Islamabad, October 17 (XINHUA)—Lieutenant General Yu Zemin, chief of staff of the Air Force of the Chinese People's Liberation Army, arrived here today on a week-long official visit to Pakistan.

Yu was met by Vice Chief of the Air Staff of Pakistan Air Marshal Syed Masud Haitif and senior Air Force officers at the Chaklala Airbase adjacent to Islamabad Airport.

The visit by the Chinese general is part of the ongoing process of cooperation and friendship between the air forces of the two countries, Pakistan military sources said.

During his stay in Pakistan, Yu will hold discussions on professional matters with senior Pakistan Air Force officers apart from visiting some bases and institutions of the Pakistan Air Force, the sources added.

Air Officials Meet United Arab Emirate Leader

OW1710091791 Beijing XINHUA Domestic Service
in Chinese 0718 GMT 16 Oct 91

[By reporter Wu Yihong (0702 3015 1347)]

[Text] Sharjah (United Arab Emirates), 15 Oct (XINHUA)—Sheikh Sultan ibn-Muhammad al-Qasimi, member of the Supreme Council of the United Arab Emirates and ruler of the Sharjah Emirate, said here today that his emirate is ready to conduct long-term cooperation with China in the fields of air transportation, tourism, and trade, in order to further consolidate and develop friendly relations between the United Arab Emirates and China.

Sheikh Sultan met this afternoon with Yan Zhixiang, deputy director of the Civil Aviation Administration of China; with Xu Bailing, president of Air China; and with their party who are in the United Arab Emirates to participate in celebrations marking the inauguration of an air service connecting Beijing, Dubai, and Cairo.

Sheikh Sultan said: Sharjah maintains a special friendship with Air China. Sharjah treats Air China as if it were its own company and provides it with all kinds of conveniences. He expressed the hope that this kind of friendly and cooperative relationship would be continued.

Yan Zhixiang and Xu Bailing together with their party arrived in Dubai from Cairo early this morning to participate in three-day celebrations marking the beginning of the Beijing-Dubai-Cairo air service.

'Roundup' Views Mideast Peace Forum Preparations

*OW1710125291 Beijing XINHUA Domestic Service
in Chinese 0737 GMT 15 Oct 91*

["Roundup: Mideast Peace Conference Under Accelerated Preparations (by XINHUA reporter Li Dajun (2621 1129 6874))"—XINHUA headline]

[Text] Cairo, 14 Oct (XINHUA)—A Mideast peace conference is slated to open at the end of this month. A flurry of diplomatic activities are going on among all parties concerned. On 13 October, U.S. Secretary of State James Baker began another shuttle trip to the Middle East, the eighth since the Gulf War ended. Soviet Foreign Minister Boris Pankin will also set out for the Middle East soon, his first visit there since assuming his current post. The fact that the Soviet foreign minister is squeezing time out for a Mideast shuttle visit at a time when his country has many problems at home to tackle with, shows that the Soviet Union also cares very much about the Mideast peace conference.

Cairo's Arabian newspapers reported that the U.S. plan for Mideast peace negotiations is divided into three stages: The opening ceremony of the peace conference; bilateral, direct talks between Israel and each of the Arab states involved; and multilateral talks on major issues concerning the region, such as headwaters, economic development, and arms.

The mideast peace conference is a major event in the history of the region, and Arab states are very concerned about its opening. In recent days, leaders of the Arab states have been in close contact with one another—either via personal visits or the telephone—to keep abreast of the preparations for the peace conference. On 2 October, Egyptian President Mubarak visited Saudi Arabia. On 7 October, Yasir 'Arafat visited Libya. Later, he will also visit Jordan. On 9 October, Libyan leader al-Qadhafi visited Egypt. On 12 October, Syrian President Hafiz al-Asad visited Egypt. On 11 October, a Palestinian delegation met U.S. Secretary of State James Baker in Washington. Fatah Faruq al-Qaddumi, head of the PLO Political Department, recently announced that

Syria, Egypt, Jordan, Lebanon, and Palestine will hold a summit meeting within a week to discuss their positions on the Mideast peace conference. Leaders of some Arab states also visited West Europe.

Arab leaders maintain Israel is very sly. Since the United States and the Soviet Union called for a Mideast peace conference, Israel has been very unaccommodating. It not only refuses to trade land for peace but also balks at stopping the building of Jewish settlements in occupied lands. Israeli Prime Minister Yitzhaq Shamir claimed that "No country on earth is ready to trade land for concessions," and that "asking Israel to freeze building Jewish settlements before negotiations constitutes a prerequisite."

The preparations prior to the peace conference are, in fact, a fierce struggle. Participating parties sometimes deliberately put out trial balloons to sound out others' positions. At other times, they act as if they are ready to reconcile, leaving the other parties in a state of uncertainty. Still at other times, they may issue uncompromising statements, forcing others to make concessions. All these maneuverings are aimed at tilting the development of the peace conference in favor of themselves. Egyptian President Mubarak said: "Of course, I can foresee the negotiations will be difficult. However, we should take the first step to help open the conference. The opening of the conference does not mean that problems will be solved the next day or within a week. The negotiations may take one year, two years...."

The preparations for the Mideast peace conference have entered the most exciting and delicate stage. When and where the peace conference will be held will not be decided until after Baker and Pankin conclude their shuttle visits. People are watching the outcome of their visits.

USSR's Pankin Departs for Middle East Tour

*OW1710135391 Beijing XINHUA in English
1316 GMT 17 OCT 91*

[Text] Moscow, October 17 (XINHUA)—Soviet Foreign Minister Boris Pankin left here today for a six-day tour of the Middle East, TASS news agency reported.

He told reporters before his departure that he will meet U.S. Secretary of State James Baker in Jerusalem and that they will discuss matters concerning the establishment of diplomatic relations between the Soviet Union and Israel.

During the tour Pankin will also try to complete preparations for the Middle East peace conference scheduled for the end of this month.

The convening of the Middle East peace conference is in the interests of all countries in the Middle East and will help strengthen stability in the region, he said.

The Soviet foreign minister will visit Israel, Syria, Jordan and Egypt during the tour.

West Europe

Justice Minister Meets French Jurists

*OW1810103291 Beijing XINHUA in English
0856 GMT 18 Oct 91*

[Text] Beijing, October 18 (XINHUA)—Chinese Minister of Justice Cai Cheng met here this afternoon with a French jurists' delegation led by Paul Bouchet.

The two sides had a candid conversation on issues of mutual concern according to sources.

The delegation arrived here on October 12 at the invitation of the Chinese Ministry of Justice. Besides Beijing, the delegation has toured Chengdu, and will go back to France tomorrow.

Peng Chong Meets Italian Parliamentary Leader

*HK1710153091 Beijing RENMIN RIBAO in Chinese
7 Oct 91 p 6*

[By Luo Jinbiao (5012 2516 2871): "President of Italian Chamber of Deputies Meets Peng Chong, Says Italy Attaches Importance to Developing Relations With China"]

[Text] Rome, 4 Oct (RENMIN RIBAO)—During a meeting with the Chinese National People's Congress [NPC] delegation led by Vice Chairman Peng Chong at the Monte Citorio Palace today, Nilde Iotti, president of the Italian Chamber of Deputies, said that drastic changes have taken place in the world, including Europe. "Under such circumstances, we attach more importance to the development of our relations with China."

President Iotti said that the Italian Chamber of Deputies maintains good relations and close and useful contacts with the Chinese NPC. This relationship should become a typical example. President Iotti continued that Italian-Chinese relations have entered the stage of resumption. The opening of dialogue between the Italian Chamber of Deputies and the Chinese NPC will be conducive to the development of international relations.

The visit to Italy by the Chinese NPC delegation at the invitation of the Italian Chamber of Deputies indicates the resumption of relations between the parliaments of the two countries, Vice Chairman Peng Chong said. The development of relations between the two countries will exert a positive influence on international relations.

On China's current situation, Vice Chairman Peng Chong said that China's political situation is stable, its economy has developed, and society remains tranquil. As the policy of reform and opening up practiced over the past decade or so has benefited the people, China will stick to the policy of reform and opening up and open itself wider to the outside world in the future.

Iotti, who visited China twice in the 1980's, said that reform will continue, as it has turned out good results.

On the floods and disasters suffered by some Chinese provinces and cities this summer, Vice Chairman Peng Chong said that thanks to efforts by the people across the country and to aid offered by Chinese nationals residing abroad and the international community, including Italy, we have tided over the difficulties. With great concern, President Iotti asked about the disasters in detail.

During the meeting, Vice Chairman Peng Chong conveyed Chairman Wan Li's greetings to Iotti. On behalf of Chairman Wan Li, he invited Iotti to pay another visit to China. President Iotti expressed thanks for the invitation and asked Vice Chairman Peng Chong to express his greetings to Chairman Wan Li.

Chinese Ambassador to Italy Li Baocheng was present on the occasion.

At the invitation of the Italian Chamber of Deputies, the Chinese NPC delegation, led by Vice Chairman Peng Chong, arrived in Rome this afternoon for a friendly visit.

'News Analysis' Examines British Elections

*OW1210110891 Beijing XINHUA in English
0805 GMT 12 Oct 91*

["News Analysis: Tories Facing Three Difficult Problems in Upcoming Election (by Fu Quansheng and Wang Shengliang)"]—XINHUA headline]

[Text] Blackpool, England, October 12 (XINHUA)—Britain's ruling Conservative Party wound up its annual conference on Friday with three major hurdles waiting to be surpassed in the run-up to the next general election, which must be held within the next nine months.

Prime Minister John Major unfolded his vision of a "best future for Britain" at the conference, saying he will give British people "power to choose, right to own".

His ideal matches the opposition Labour's vision, put forward at last week's Labour conference, which party leader Neil Kinnock said was to bring Britain up to the "first division of Europe" once he becomes the host of Downing Street.

While slogans are all for the purpose of attracting votes, people give their choice not because some slogans are more heartening and others discouraging. They are concerned with what affects their life most.

Thus three issues, economy, health service and Europe, have now become priorities on the Conservative agenda. They have to handle them very carefully before they can see the prospects of winning a fourth victory in the election.

All these issues are covered in the prime minister's keynote speech at the closing session of the party conference.

Over-heated economy has plunged Britain into deep recession as a result of raising interest rates to an all-time high to combat high inflation.

The official statistics published on Friday showed the battle has been won as inflation rate fell to 4.1 per cent from the peak of 10.9 per cent last year, lower than that in Germany.

But the interest rates, even though having eight cuts over the past year, is still high at 10.5 per cent and would be hanging on at that level for sometime ahead because of the weak pound at present.

Despite a fairly confident picture offered by Major and his Chancellor Norman Lamont, the recession is still biting as the economy is "bumping along the bottom" with unemployment keeping on soaring and investment showing no sign of sharp increase.

Major promised in his speech that with inflation down, the interest rates would be reduced, which will in turn help boost investment and solve the jobless problem.

However, the prevailing view held that when recovery does come later, it will come at a very slow pace and people can hardly perceive it. When people do perceive it, the election might be over as an overall recovery will come no earlier than mid-1992.

Health service is another hot issue that has put the Conservatives on the defense.

The market-oriented health service reform allowing hospitals opting out of local authorities' control by self-budgeting has aroused public anger, as people fear that the reform would deprive them of the precious public asset.

A recent survey, published in a newspaper last Sunday, showed that two-thirds interviewed believed that health service in the Conservative hand would be "privatised".

Labour has exploited the public fear, alleging that "privatisation" of health service was one of hidden agenda in the fourth Conservative Government, which it said would be a nightmare for Britain.

In late September, Labour capitalized on the issue to regain its lead in opinion polls after a temporary sliding behind its political rival.

To alleviate people's fear and take back the lost ground, Major reaffirmed that there will be no privatisation of health care.

"I hope the whole country is listening ... under this government the National Health Service will continue to offer free hospital treatment to everyone," he said.

Observers here said the Conservatives had made a powerful fightback on Labour's "privatisation" allegations, but it was too soon to say whether the Major government had won the battle on the issue.

Besides, short funding for the health service is already occupying headlines. The government is now obsessed with the problem and Labour would surely be using this to strengthen its offensive.

The European issue, centered on the single currency in the European Community which could finally lead to an economic and political union, continued haunting the Conservatives at the party conference.

Last November, the European issue split the Conservative Party as Margaret Thatcher's hostility to the single currency enraged her Deputy Geoffrey Howe, whose angry resignation led to a bloody civil war which precipitated Mrs. Thatcher's downfall as the prime minister.

Mrs. Thatcher's departure does not mean the wiping out of her influence. Euro-sceptics, many of them former Thatcher cabinet ministers, wanted to use the conference to exert their pressure on Major, urging him not to make any step further towards a "United States of Europe".

A row bringing the party again to the brink of division might have exploded at the conference if not for the party managers carefully handling the whole arrangement.

Major and his Foreign Secretary Douglas Hurd at this critical time again steered a middle-way policy to tide over a possible new party crisis.

"Closer union between states, not a federal merger of states. That is still our policy," Major told the conference.

The policy shows that Major still wants to put Britain "at the heart of Europe", contrasting to Mrs. Thatcher's isolation, but he would not do anything further to infuriate the Thatcher faithfuls, whose revolt might damage the patched party unity.

Major's policy will be under crucial test when he attends the EC summit in December in the Dutch city of Maastricht.

If he cannot dissuade other EC member states from the federal idea, Britain would be really isolated from the European continent.

If he does otherwise, there will be surely a rebellion in the party. And that would be a disaster as a split party can never persuade people to vote for it.

The winding up of the Conservative conference put an end to the month-long party conference season in Britain.

Three main political parties, the Conservatives, Labour and the Liberal Democrats, are now beginning their preparations for a life-and-death fight in the next election.

Observers said the conservative morale, once so sagging for the shrinking of their support, was boosted and confidence returned through four days of successful performance at the conference.

Major, who enjoyed wide support from the party rank and file as seen at the conference with his "nice guy" personality, told the delegates that since he became the prime minister, he came to "like it", and will "keep it" with their help.

A TV commentator said Major had to convince the people on his policies over the three main issues before he could be sure that he will remain in Downing Street.

East Europe

Premier Li Peng Meets Polish Foreign Minister

OW1810103091 Beijing XINHUA in English
0837 GMT 18 Oct 91

[Text] Beijing, October 18 (XINHUA)—Chinese Premier Li Peng met with visiting Polish Foreign Minister Krzysztof Skubiszewski here today and they had a friendly conversation.

According to sources at the Chinese Foreign Ministry, Skubiszewski conveyed regards from Polish Prime Minister Jan Krzysztof Bielecki to Li, who asked the minister to convey his own best wishes in return.

Li said he was glad that Sino-Polish relations are developing smoothly.

He said that, no matter what changes take place in the world, the two countries should maintain and promote normal state-to-state relations.

China pursues the five principles of peaceful co-existence in international affairs, Li said. These principles have been agreed upon by most states.

Meanwhile, Li said, China holds that new content, especially economic content, could be added to these principles in the light of the development of the international situation.

Li said he appreciated the Polish Government's "One China" policy.

During the meeting, Skubiszewski said Polish-Chinese relations are developing smoothly and his country hopes that bilateral ties in various fields, economic and trade ties in particular, will be further enhanced.

He said that the present world needs a new international order, for which the five principles of peaceful co-existence provide a good basis. Poland attaches importance to the status and role China has in the United Nations and is willing to maintain close co-operation with China in the U.N.

Chinese State Councillor and Foreign Minister Qian Qichen was present at the meeting.

Polish Ministers, Counterparts Discuss Trade

OW1810071491 Beijing XINHUA in English
0651 GMT 18 Oct 91

[Text] Guangzhou, October 18 (XINHUA)—Chinese Minister of Foreign Economic Relations and Trade Li Lanqing and Polish Minister of Foreign Economic Cooperation Dariusz Ledworowski held talks here today on the further development of bilateral economic and trade relations.

During the talks, which were held in a friendly and practical atmosphere, both Li and Ledworowski held that the economic and trade co-operation between the two countries has been advancing in a favorable direction. This year has seen an active exchange of visits of economic and trade delegations and expanded bilateral trade volume. The two countries have started to set up representative offices of corporations, joint ventures and enterprises in each other's country.

The two ministers also discussed the main orientation of their work in future so as to further strengthen and develop trade, and economic and technological co-operation between the two countries.

Following the talks, the two ministers signed a summary of the talks and exchanged notes on balancing trade.

Dariusz Ledworowski and his party arrived here yesterday at the invitation of Li Lanqing.

Chinese Trade Fair Opens in Sofia 14 Oct

OW1510035791 Beijing XINHUA in English
0156 GMT 15 Oct 91

[Text] Sofia, October 14 (XINHUA)—A Chinese trade fair displaying more than 1,000 varieties of products opened here today.

In addition to traditional exports such as garments, silk, electronic products, handicraft, food stuff and medicine, the week-long fair also features many new products.

Speaking at the opening ceremony, Mao Hongyuan, head of the Chinese trade fair delegation, expressed the belief that the 40-year-old Sino-Bulgarian trade relations will further grow alongside the economic development of the two countries.

Stefan Polendakov, vice minister of Bulgarian foreign economic relations and Vladimir Lambrev, chairman of the Bulgarian Chamber of Commerce and Industry, attended the opening ceremony and visited the fair with more than 1,000 people.

More than 50 Chinese companies from 18 provinces and three municipalities are represented at the fair.

XINHUA on 'Purge Law' in Czechoslovakia

OW1810041391 Beijing XINHUA in English
0322 GMT 18 Oct 91

[Text] Prague, October 17 (XINHUA)—Czechoslovak President Vaclav Havel today signed a law aimed at further purging former communists but suggested that federal parliament modify it since it will involve some one million people.

Alexander Dubcek, president of the parliament, refused to sign the law, saying it runs counter to both the norms of the country's constitution and the international convention on human rights.

The enforcement of the law will re-persecute a great number of Communist Party members, who were purged in 1968 because of their opposition to the Soviet invasion of Czechoslovakia, he argued.

Under the purge law passed by the federal parliament on October 4, the communists holding office at the county level and above from February 25, 1948 to November 17, 1989 will not be allowed to hold any posts in government agencies. The law will be valid for five years.

Many political parties in the country have expressed their outrage at the law.

Jiri Dienstbier, chairman of the Civil Movement and vice premier and foreign minister of Czechoslovakia, said that the law will victimize many innocent people.

Some law experts stressed that the law goes against the country's Charter of Basic Rights and Liberty passed on January 9, 1991.

Romania Approves Formation of New Government

OW1710054991 Beijing XINHUA in English
0142 GMT 17 Oct 91

[Text] Bucharest, October 16 (XINHUA)—Romania's Senate and Chamber of Deputies approved in a joint session the formation of the new government led by independent Prime Minister Theodor Stolojan, after secret balloting this afternoon.

The new administration, the nominations of whose interior and cultural ministers were vetoed by the parliament, was to succeed the one headed by Petre Roman, who resigned on September 26 in the midst of a bloody turmoil in the capital.

Of the 19 cabinet members, nine are independents, five come from the ruling Salvation Front and three from the opposition National Liberal Party. Two others are from the Romanian Ecological Movement and the Agrarian Democratic Party, both allies of the Salvation Front.

Stolojan told reporters after the approval that his government will immediately start analyzing the current economic crisis and hammer out priority measures. Any delay would be dangerous, he added.

The new prime minister noted that his cabinet will pool all possible domestic and overseas funds to address the shortage of food and energy in the coming months.

Prior to the approval, Stolojan said the main task of the new government is to continue the switch to a market economy and to prepare for a general election.

Stolojan, who was appointed to organize the new government on October 1 by President Ion Iliescu, stressed that the new government was formed in the teeth of political tensions and economic difficulties.

He said Romania needs three billion U.S. dollars to survive the coming winter and spring.

If no more foreign loan is obtained, he warned, the government will close down some of its production projects and ration certain essential products.

He added that the economic woes in his country can be redressed only by continuing the reform under way, strengthening the market economy mechanism, restructuring the economy, and persisting in the existing revenue, tax, currency and credit policies that were devised to avert grave economic disorder and spiral inflation.

Political & Social**Leading Dissidents React to Imprisonment****Chen Ziming on Conditions**

HK1510133191 Hong Kong Asia Television
Limited in English 1230 GMT 15 Oct 91

[From "Main News" program]

[Text] Leading Chinese dissident Chen Ziming is reported to be protesting against his transfer from solitary confinement to a common prison cell. A source in Beijing said that Mr. Chen now shares a cell with three criminals. The source said Mr. Chen's relatives have been denied their monthly visit to him because he allegedly violated prison regulations.

Chen, Wang Juntao Seek Appeal

HK1710082591 Hong Kong AFP in English
0754 GMT 17 Oct 91

[Text] Beijing, Oct 17 (AFP)—Chinese dissidents Chen Ziming and Wang Juntao have tried to stage hunger strikes and created disturbances in prison to demand that the government allow them the right of appeal, sources said Thursday.

The two men were angry at receiving no response to hundreds of oral and written requests that the Supreme People's Court review their 13-year sentences for plotting to subvert the government, according to the sources who have close contact with the dissidents.

The two intellectuals have resisted pressure to confess to inciting counter-revolution during the 1989 Tiananmen Square democracy movement.

Chen, 38, refused food and created disturbances at Beijing's Prison No. 2 earlier this month in a bid to attract attention to his case, the sources said. As punishment for violating prison rules, correctional officials denied him a monthly visit from his family that had been scheduled on Monday.

Wang was said to have staged a three-day hunger strike for similar reasons. The 33-year-old, who is suffering from hepatitis, was transferred from No. 2 Prison to the hospital at Yanqing prison in northern Beijing two months ago, apparently in response to Western pressure.

An official in the Justice Ministry's Foreign Affairs Office said by telephone Thursday that Wang and Chen were "eating normally at the present time," but said he had no information on their past eating patterns.

When asked about their general health, the official said that after Wang complained about his liver, medical tests were conducted and found normal except for one liver test.

Li Peng Continues Guangdong Inspections**Inspects Shantou SEZ**

OW1210044891 Beijing XINHUA Domestic Service
in Chinese 1708 GMT 11 Oct 91

[By reporters Niu Zhengwu (3662 2973 2976) and Sun Benyao (1327 2609 1031)]

[Text] Shantou, 11 Oct (XINHUA)—Premier Li Peng said in Shantou City, Guangdong Province today that after the expansion of the Shantou Special Economic Zone (SEZ), it is necessary to bring into play the advantages of the Shantou Prefecture and to continue the principle of "developing, constructing, putting into production, and obtaining profit from a stretch of land" to further develop the SEZ.

Li Peng inspected Shantou and Chaozhou cities on 9-11 October. During a visit to the Huadabao Ceramics Co., Ltd., United Eel Breeding Company, and Shantou Ocean (Group) Company's polyphenyl resin plant this morning [11 October], he viewed their production process and inquired about the enterprises' production situations and the everyday life of workers and technicians.

In the decade since its founding, the Shantou SEZ has developed rapidly and undergone great changes in work in all fields. Last April, the State Council approved the SEZ to expand its scope to the city proper effective 1 November this year. As a result, the SEZ's area will be increased from 52.6 to 234 square km.

This afternoon, after listening to briefings by responsible comrades of the Shantou City party committee and the city government, Li Peng fully affirmed the SEZ's achievements in the past decade. He pointed out: The Shantou SEZ has scored remarkable achievements and has played the role as one of the "four windows" by quadrupling its gross industrial and agricultural output value in a decade.

On the SEZ's future work, Li Peng said: After the expansion of the scope, the SEZ should, first and foremost, draw up an overall development plan. It is necessary to continue to adhere to the principle of giving priority to industry and combining industry with foreign trade in striving to develop an export-oriented economy. Construction in the SEZ must be carried out under unified planning, step by step, and within the limit of financial resources in a pioneering and yet realistic spirit. In developing an industry or launching a project, it is necessary to take into account the SEZ's development needs as well as the national situation as a whole. It is necessary to consider domestic and foreign market demands and prevent redundant or aimless construction projects.

Li Peng said: The SEZ should be quite selective in its construction projects and should attach great importance to developing high-tech industry. By pioneering a

new method of integrating scientific research with production and marketing, the Shantou Ultrasonic Instruments Institute has instilled great vitality into its research and production. We should develop more projects similar to the institute in the SEZ. As the SEZ is scarce in land and dense in population, it should promote scientific farming, develop bioengineering, and practice three-dimensional agriculture in order to accelerate the development of innovative and export-oriented agriculture. Li Peng said: The SEZ should also update the technology of its old enterprises. It should take advantage of its position as the home of overseas Chinese and invite them to invest in the technological transformation of its old enterprises so that their products will find a market. Meanwhile, in order to invigorate enterprises, it is necessary to actively promote reforms in labor insurance, medical care, and labor recruitment systems.

Li Peng said: We should also pay attention to the construction of the spiritual civilization in the Shantou SEZ. We should continue to build the material and spiritual civilization simultaneously, and ensure the construction of the SEZ in the socialist direction.

In the past two days, Li Peng also inspected Chaozhou, an ancient cultural city, and visited ceramics factories in Tongxi Township and the Hanbilou Pavilion of Revolutionaries.

During the inspection, Li Peng called on houses of peasants and common citizens. While in Dawu Village, Fuyang Township in Chaozhou City, Li Peng called on farm households, inquiring their production and production situations. The people were very much touched at, and watched in silence, the sight of the premier asking an old peasant about his health with deep concern, and holding a peasant's baby.

Accompanying premier Li Peng on the inspection were Luo Gan, Yuan Mu, Jiang Xinxiong, Yao Zhenyan, Gu Linfang, Doje Cering, Li Xianglin, and Hu Guangbao.

Calls on Shantou City Resident

HK1810072391 Guangzhou Guangdong People's
Radio Network in Mandarin 0400 GMT 13 Oct 91

[Text] Cheng Guohua, who lived in Room 103, Block 7, Baihe Yuan, Shantou City, never dreamed that the premier would pay a visit to his home.

At 0915 on 11 October, Cheng Guohua was as busy as usual looking after his small grocery store. Suddenly, he saw many people walking toward his house. Guests are coming! someone shouted. After taking a careful look, Cheng discovered that the man walking ahead of the people was Premier Li Peng. For a while, Cheng Guohua remained speechless. Premier Li Peng held out his hand and said: How do you do? Cheng Guohua hurriedly held the Premier's warm hand and said repeatedly: How do you do, Premier?

Premier Li Peng was on an inspection trip in Shantou City on 9-11 October. Yesterday, when he listened to the reports given by Shantou City party Secretary Lin Xingsheng and the Shantou Construction and Development Corporation's general manager Sun Zhenming on Shantou's achievement in effectively alleviating the city's tight supply of residential houses, Premier Li Peng felt very happy. He proposed paying a visit to the home of a Shantou resident to acquaint himself with the housing and living conditions of Shantou residents.

The premier asked Cheng Guohua: How big is this house?

Forty-nine square meters.

The Premier asked again when he entered the small living room: How much did you spend on this house?

I spent 13,000 yuan on this house.

When did you buy it?

I bought it in March last year.

How many people are there in your family?

Five. My children have all gone to school. Cheng Guohua's wife (Xin Jingjun) answered, who stood nearby.

Premier Li Peng nodded his head: Five people. Forty-nine square meters.

After that, he turned around and took a look first at the kitchen, and then the two bedrooms in the house. He said repeatedly: It is a nice house.

Then, the premier came to Cheng Guohua's small grocery store, which sold stationary, drinks, and foodstuffs. The premier praised Cheng Guohua with a smile: It is good that you can make things convenient for the masses. In the end, the premier shook Cheng Guohua's hand and said good-bye to him.

After the premier left, 35-year-old Cheng Guohua was unable to hold back his excitement and said to reporters on the scene: I never expected that the premier would pay a visit to my home and engage in small talk with me. The premier really goes deep among and shows his concern over the masses!

Residents living nearby packed into Cheng Guohua's house to share his joy.

Leaves Shantou for Shenzhen

OW1210195891 Beijing XINHUA Domestic Service
in Chinese 1410 GMT 12 Oct 91

[By reporters Niu Zhengwu (3662 2973 2976) and Sun Benyao (1327 2609 1031)]

[Text] Shenzhen, 12 Oct (XINHUA)—A grand ceremony was held for the opening of the Shenzhen Airport today. Premier Li Peng attended the ceremony and cut the ribbon. He called for earnest efforts to practice

scientific management in the airport so that it can become a modern international airport with quality service and efficient management.

Premier Li Peng flew to Shenzhen from Shantou this morning after a two-day inspection tour of Shantou and Chaozhou cities. He was accompanied by Xie Fei, secretary of the Guangdong provincial party committee, and Zhu Senlin, acting governor of Guangdong.

It was a bright sunny day today. Colored flags fluttered at the Shenzhen Airport. As the plane carrying Premier Li Peng and his entourage slowly landed at the airport, they became the first group of visitors to arrive at the newly opened airport. After deplaning, Li Peng, accompanied by Li Hao, secretary of the Shenzhen city party committee, and Zheng Liangyu, mayor of Shenzhen, entered the terminal, where he visited the central control room, departure office and concourse, emporium, restaurants, and other facilities. Later in the VIP room, he listened to a responsible Shenzhen comrade's briefing on the airport's construction and facilities and preparations for its opening to traffic.

The completion of the Shenzhen Airport is a milestone in the modern transportation of the Shenzhen Special Economic Zone. From the very beginning, leading comrades of the party Central Committee and the State Council had overseen and supported the airport's construction. In January 1988, Li Peng headed a group of people from the relevant State Council departments to Shenzhen to discuss the selection of the airport site with leaders of Guangdong Province and Shenzhen City. By drawing on the collective wisdom and absorbing all useful ideas, the site of the airport was decided. In February 1990, when the national working conference on special economic zones was held in Shenzhen, Li Peng again listened to reports on the construction of the airport. He summoned officials from the relevant departments to discuss ways and means to solve some pressing problems, and he encouraged the officials to accomplish the airport construction project as quickly as possible.

Construction of the Shenzhen Airport officially started in May 1989 and was basically finished in September 1991. It has been checked and accepted by the State Acceptance Test Committee recently and all of the major projects have been appraised as excellent.

The premier was very pleased to see with his own eyes the high-quality modern airport. After listening to the responsible Shenzhen comrade's briefing, he extended warm congratulations from the State Council on the completion and opening of the airport. In his speech at the opening ceremony, Li Peng highly praised the construction of this important project, and he set strict demands for the airport's management and service in the future. He said: With its high construction speed, economical investment, and advanced equipment, the Shenzhen Airport has set an example for China's transportation construction projects. The new airport will greatly help the economic development of the Shenzhen Special Economic Zone, as well as promote

the city's economic and cultural exchanges with the outside world and the stability and prosperity of Shenzhen and Hong Kong. In the future, it is essential to exercise effective management of the airport so that it can become a modern airport with quality service and efficient management.

The ceremony opened at 1130 at the departure lounge inside the terminal. Party Secretary Li Hao delivered an address on behalf of the city party committee and city government. He pledged to learn, with an open mind, from the valuable experiences of the domestic civil aviation in the past decades and the advanced management experiences of the Hong Kong and foreign airports, and he also vowed to work hard to achieve the objective of "top-rated management, service, and efficiency" and to provide high-quality service to Chinese and foreign passengers and airlines. At the end, amid joyful music and thunderous applause, the premier cut the ribbon for the opening of air traffic.

Among those who attended the ceremony today were Vice Premier Tian Jiyun and responsible comrades from the relevant State Council departments Luo Gan, Jiang Xinxiong, Yuan Mu, Li Senmao, Li Lanqing, and Jiang Zhuping; responsible comrades of Guangdong Province Xie Fei and Zhu Senlin; responsible comrades of the Guangzhou Military Region Zhu Dunfa and Zhang Zhongxian; responsible Shenzhen Comrade Zheng Liangyu, XINHUA Hong Kong Branch's Wang Pinqing and Qin Wenjun; and Hong Kong celebrity Zhuang Shiping.

This afternoon, Li Peng visited the Xianke Laser Television Company Ltd. in Shenzhen and the new Shenzhen railway station. The company is China's only large comprehensive enterprise of science and technology in the development, production, and marketing of optical disks, optical disk speakers, and other related technologies. The modern railway station, with its beautiful structure, rational layout, and advanced equipment, took only 15 months to build. During the visit, the premier asked about the construction and production of these two enterprises and praised them for setting good examples for cost-effective investment and quick returns in development of enterprises.

Makes Speech at Airport Opening

OW1210144491 Beijing XINHUA in English
1426 GMT 12 Oct 91

[Text] Shenzhen, October 12 (XINHUA)—A grand ceremony was held today for the opening of the Shenzhen Airport at this special economic zone in South China. Premier Li Peng attended the ceremony and cut the ribbon.

Premier Li flew to Shenzhen this morning after a two-day inspection tour of Shantou and Chaozhou Cities in Guangdong Province, South China. He was accompanied by Guangdong Provincial Party Committee Secretary Xie Fei and deputy governor of the province Zhu Senlin.

After his arrival Li Peng visited the new airport's waiting building and the other related facilities.

Construction of the Shenzhen Airport officially started in May 1989 and was basically finished in September 1991. It has been checked and accepted by the state recently and all of the major projects have been appraised as excellent.

The construction of the Shenzhen Airport has been supported by the party Central Committee and the State Council from the very beginning. In January 1988, Premier Li headed a group of people from the related departments of the State Council to Shenzhen to discuss the site selection of the airport with local leaders.

In February 1990, when the national working conference on special economic zones was held in Shenzhen, Li again listened to reports on the construction of the airport. He encouraged related departments to accomplish the project as quickly as possible.

In his speech at the opening ceremony, Li Peng highly praised the construction of this important project, and showed his hope for the airport's scientific management and high-quality services.

He said that with its high construction speed, economical investment and advanced equipment, the Shenzhen Airport has set an example for China's transportation construction projects. The new airport will greatly help the economic development of the Shenzhen Special Economic Zone and promote the city's economic and cultural exchanges with the outside world.

Also present at today's opening ceremony were Vice-Premier Tian Jiyun, leaders of the departments concerned under the State Council Luo Gan, Jiang Xinxiong, Yuan Mu, Li Senmao, Li Lanqing and Jiang Zhuping, as well as some local leaders and some noted figures from Hong Kong.

This afternoon Li Peng visited Xianke Laser Television Company Ltd. and the new railway station of Shenzhen.

Editorial on Economic Role

HK1510020091 Hong Kong WEN WEI PO
in Chinese 12 Oct 91 p 2

[Editorial: "Viewing Prospects of China's Economic Takeoff From Shenzhen"]

[Text] Shenzhen's new railway station and airport, the two major transportation facilities, have been completed and gone into operation today. This will be of great significance to accelerating the building of the Shenzhen Special Economic Zone [SEZ], improving transportation between Shenzhen and Hong Kong, and promoting Hong Kong's tourism and commercial contacts with the mainland.

Following the completion of these two projects, it will be more convenient and speedy for Hong Kong compatriots and foreign friends to engage in commerce or tour China's major cities. Thanks to the completion of the new Shenzhen railway station, the number of passengers will increase sharply. Electronic services will be offered

and passengers will be notified of their boarding place and exit through the computers. There are also television passenger inquiry services, automatic ticket selling machines, luggage weighing machines, and security examination system. There will be a 230-meter-long escalator linking the railway station to the customs building, alleviating the burden of the passengers in carrying their heavy luggage. The number of daily runs from Guangzhou to Shenzhen will increase from the current 40 to 90, and some trains will even extend to other northward provinces. It will then be more convenient for Hong Kong passengers as they can reach their destinations in south China by train.

The new Shenzhen airport is the second largest in China, capable of handling 10 million passengers a year, around 60 percent of the capacity of the Kai Tak Airport. During peak periods, it will be capable of handling 48 landings and takeoffs. [sentence as published] The completion of the new Shenzhen airport will partially transfer flights to Hong Kong from major Chinese cities to Shenzhen, offer an airport for new services and flights from Shenzhen to other Chinese cities, and provide carriers of Southeast Asian countries or Third World nations with a place for landing. The airport will better reinforce Hong Kong's transport facilities and further enhance Hong Kong's position as an important commercial port and air pivot in East Asia. Friends and guests coming from all parts of the world will further boost Hong Kong's trade. Hong Kong's trade with the interior this year has increased sharply by 27 percent. Thanks to the completion of the new railway station and airport, there will be a considerable growth in trade between the two cities.

A British newspaper pointed out recently that the economy in Southern China will grow drastically in the next decade and the living standards there in the early period of the next century will approach the level of Southern Europe. This estimate is not based on fantasy. In light of the economic development experience of the industrialized nations, the development of railway and air transport is usually followed by rapid growth in national economy and trade. As the southern areas have taken the lead in China's reform and opening up, their rapid economic development is easily witnessed by British businessmen, who are doing business on a large scale and consulting on the establishment of a collective transport system, underground railway system, and telephone exchange network in 11 major Chinese cities. Of this, they are particularly optimistic about the southern areas and have taken an active part in the bidding for projects.

The objective of the modernization of south China's transportation system is to set up a bridge linking China's trade and tourism to the five big continents. As Hong Kong is exactly located at an important position of the bridge, there will be no end to businesses here. With its economic distribution, China has drawn a bright picture for Hong Kong: China will realize its commitment of Hong Kong people ruling Hong Kong, one country, two systems, and maintaining Hong Kong's capitalist system unchanged for 50 years. The ultimate

goal is to serve China's four modernization program and revitalize the Chinese nation. China's principles and policies toward Hong Kong are reflected in the Sino-British Joint Declaration and the Basic Law as well as in specific capital construction and economic planning, of which the latter is real action. No one should suspect Hong Kong's status and prospects after 1997. He who entertains groundless fears will eventually lose the golden opportunity to make money.

Run by a state-owned unit which underwent structural reform, the Shenzhen railway station was built in one-and-a-half years while the Shenzhen airport was built in two years and three months at the cost of 1 billion yuan. Such speed and economic results are by no means inferior to capitalism. Shenzhen, as a display window to the outside world, presents a beautiful scene of China's economic takeoff in the future.

Li Continues Inspection

*HK1610094291 Hong Kong TA KUNG PAO
in Chinese 16 Oct 91 p 4*

[Text] Shenzhen, 15 Oct (TA KUNG PAO)—After attending the inauguration ceremony for Shenzhen Airport and the new Shenzhen railroad station on 12 October, State Council Premier Li Peng has inspected Shenzhen for the last few days and said to the responsible persons of Shenzhen City CPC Committee and Government that in the future Shenzhen should attach importance to the development of high-tech industry, pay attention to shifting scientific and technological achievements into productive forces, and vigorously develop tertiary industry. Shenzhen Special Economic Zone must give further play to its role as a window, become a window for propagating our country, and become a window for showing the superiority of socialism to the outside world.

This is the third time Li Peng has inspected Shenzhen since the founding of Shenzhen Special Economic Zone. After listening to the reports made by the responsible persons of Shenzhen City CPC Committee and Government on 14 October, he said that coming to Shenzhen this time, he saw very great development in all aspects in the special economic zone. This proves once again that Comrade Deng Xiaoping's policy of setting up special economic zones is correct. The special economic zones have been run successfully and the role of the "four windows" has been gradually brought into play.

While dwelling on the future development of Shenzhen Special Economic Zone, Li Peng said that Shenzhen's construction had undergone several stages with different characteristics, developing gradually from the stage of processing materials supplied by foreign businessmen, processing according to buyer's samples, assembling parts supplied by clients, and compensation trade to the stage of building Shenzhen's own industry with many advanced products. In the future, Shenzhen must attach importance to the development of high-tech industry and pay attention to shifting scientific and technological

achievements into productive forces. To develop high-tech industry, we must develop the market and stress economic results. In the course of developing high-tech industry, we must make the best use of foreign capital and absorb more talented people. Meanwhile, we must continuously develop other industries and enhance economic results and grades.

Li Peng said that Shenzhen Special Economic Zone must also develop tertiary industry. Shenzhen must make use of its favorable conditions and take the road of diversified trade. It must set up its own marketing network and at the same time give full play to the role of Hong Kong's marketing network.

In dealing with the introduction of foreign capital, Li Peng pointed out that Shenzhen now has a comparatively good environment. It must be selective in introducing foreign capital, conform to the industrial policy, and import high-tech items. Its products must have competitive power and it must develop the market.

Li Peng pointed out that while stressing material progress, Shenzhen must also stress cultural and ideological progress. It must give play to the role of political and legal organs and rely on the masses to do well in improving social order.

On 13 October, Li Peng went to inspect Daya Bay nuclear power station in Shenzhen, investigated the construction situation at the site, and ascended an iron tower, some 20 meters high, to look down at the nuclear power station. Li Peng also received foreign experts while there. On the morning of 14 October, Li Peng went sightseeing at China in Miniature and the village of Chinese folk customs and culture that has just opened.

Tours Daya Bay Nuclear Plant

*HK1410024391 Hong Kong SOUTH CHINA
MORNING POST in English 14 Oct 91 pp 1, 2*

[By Chris Yeung]

[Text] Chinese Prime Minister Mr Li Peng inspected the construction of the Daya Bay nuclear power plant yesterday following suggestions that the completion date of the controversial project had been further delayed so that international building standards could be met.

He toured the building site and heard progress reports from officials before leaving for Guangzhou today.

Mr Li is believed to have been accompanied by Mr Jiang Xinxiong, general manager of China National Nuclear Industries Company and Mr Wang Quanguo, a director of the Guangdong Nuclear Power Joint Venture Company (GNPJVC).

He flew to the southern province last week to keep abreast of the latest economic development of the region, particularly its open cities. He also officiated at the opening of Shenzhen's Fuyong airport.

The trip to the Daya Bay plant came in the middle of a debate among top management over the technical specifications of the project and the completion date.

Mr Wong Po-yan, chairman of the Sino-Hong Kong Nuclear Safety Consultative Committee, which monitors the project, said some directors on the board of the GNPJVC had mentioned the argument during a visit to Hong Kong last week.

"They said there are some problems with the installation of pipes. It's a question of whether the specifications should be strictly followed. If so, it might take another few more months for completion.

"One described following exactly the standards for building nuclear plants in France as 'making perfection still more perfect'.

"He said if the present building standard is safe enough, there's no need to follow the French standard which is more strict than those on building other projects.

"They asked what I thought about it. I said I want to see stricter standards even though it will delay the completion time. Even based on the French experience in building nuclear power plants, there's no cause for surprise for a delay of several months.

"It's common for a large project like this to take a few more months for construction.

"My feeling is that those who prefer delaying the project for the sake of a full compliance with the specifications are the mainstream in the board," said Mr Wong.

But he added that he would discuss the matter with other local members.

Mr Wong stressed that "the matter is not a major problem".

The first deputy chairman of the GNPJVC, Sir William Stones, said last night that the installation of small pipes would take "a little bit more time" and could affect the completion date.

"It's not a big deal. It happens in any projects. There's the possibility of a delay."

Sir William maintained, however, there would be "absolutely no way" the building standards would be lowered to save time.

"There will be no sacrifices for the security of the project," he said.

Mr Steven Poon Kwok-lim, the outgoing general manager of China Light and Power Ltd and board director of the GNPJVC, rejected adopting another standard in the building process.

"If we do not follow the safety standards and building specifications, we can't even get a licence for operation... there might be some misunderstanding," he said.

Mr Poon said the question of taking a short-cut to avoid a delay had not been raised, adding "safety always comes first" in the building process.

"There are tens of millions of items in the whole building project. The standards we have laid down have been and will be our standards."

In June, officials of the Daya Bay plant announced a two-month delay before it would become operational because of "adjustments to its design", meaning that the \$28.8 billion project will not come on stream until December next year.

Mr Poon dismissed the possibility that his mainland counterparts had opted for lower standards to bring forward the operation of the plant.

There have been reports that Mr Li decided to visit the plant to call for an acceleration of the construction work.

Guangzhou Trade Fair Opens

HK1510064891 Beijing CHINA DAILY
in English 15 Oct 91 p 1

[By staff reporters Liu Hong and Li Zhuoyan]

[Text] Guangzhou—The curtain over the 70th Guangzhou Commodities Fair, China's premier "window on the world," will be raised this morning to display a business community striving for better quality and a government determined to improve the trade balance.

About 44,000 visitors representing overseas buyers from 127 countries and regions were expected to attend the fair. It is China's largest foreign trade event, held twice a year in this commercial hub in South China's Guangdong Province.

Chinese exporters representing 19 trade delegations will show off more than 60,000 products. Quality, the business people said, has become their primary concern for this autumn session.

Quality will not only help win over customers but also improve the "nation's image," said Liang Jinwen, vice chairman and general secretary of the fair's organizing committee and president of China Foreign Trade Centre of Guangzhou.

Chinese trade officials reiterated that China will not change its reform policy and will seek a steady growth for imports as well as exports.

A senior official from the Ministry of Foreign Economic Relations and Trade noted that China plans to invest 1,390 billion yuan (\$262.3 billion) during the Eighth Five-Year Plan period (1991-95) to boost capital construction and technological advances. Large amount of technologies, equipment and raw materials will be imported to carry out the plan, he added.

Fair organizers predict that transactions are likely to exceed the \$5.74 billion in volume registered at the previous fair last spring.

The organizers sent invitations to about 27,600 companies in 124 countries and regions.

The fair is scheduled to last through the end of the month.

Li Cuts Ribbon Opening Fair

*OW1510100291 Beijing XINHUA in English
0928 GMT 15 Oct 91*

[Text] Guangzhou, October 15 (XINHUA)—The 1991 autumn export commodities fair opened today in Guangzhou. This is the 70th such fair held in this capital of south China's Guangdong Province since the spring of 1957.

Premier Li Peng attended today's opening ceremony and cut the ribbon for the fair. Accompanied by Vice-Premier Tian Jiyun and Vice-Chairman of the National People's Congress Chen Muhua, Li also met with guests from Hong Kong, Macao and Taiwan.

Also attending today's ceremony were more than 10,000 Chinese and overseas guests, including over 4,300 overseas businessmen from 68 countries and regions, and nearly 600 specially invited Chinese and foreign guests.

Minister of Foreign Economic Relations and Trade Li Lanqing made a speech at the opening ceremony.

The fair has seen great changes since 1957: The exhibition area has increased from 8,000 sq m to the present 140,000 sq m; the number of businessmen attending has grown from 1,223 from 19 countries and regions to 44,276 from 127 countries and regions; and the export volume has increased from 17.54 million U.S. dollars recorded at the first fair to 5.743 billion U.S. dollars at the fair in spring this year.

Since 1957 the fair has received a total of over 1.08 million businessmen, and the accumulated export volume comes to more than 114 billion U.S. dollars.

The fair has thus become an important window for China's international exchanges.

Li, Leaders Write Inscriptions

*OW1410192291 Beijing XINHUA in English
1433 GMT 14 Oct 91*

[Text] Guangzhou, October 14 (XINHUA)—Li Peng and other state officials wrote inscriptions for the 70th Guangzhou Export Commodities Fair scheduled to open tomorrow.

Li Peng's inscription reads: "Face the international market, open more widely to the outside world and continue to run the Guangzhou Export Commodities Fair even better."

Vice Premier Tian Jiyun's inscription reads: "Respect contracts, keep good credit ratings, and promote foreign trade on the basis of equality and mutual benefit."

Chen Muhua, vice-chairman of the Standing Committee of the National People's Congress, Ye Xuanping, vice-chairman of the Chinese People's Political Consultative Conference, and Li Lanqing, minister of foreign economic relations and trade have also written inscriptions for the 70th China Export Commodities Fair.

Li, Others Send Encouragement

*OW1310125191 Beijing XINHUA in English
1218 GMT 13 Oct 91*

[Text] Guangzhou, October 13 (XINHUA)—The 1991 China Autumn Commodity Export Fair will be held between October 15 and 30 in Guangzhou.

This is the 70th such fair since it was first held in 1957. Party and state leaders has congratulated the opening of the fair by writing words of encouragement and appreciations.

Among those leaders who wrote words of encouragement and appreciations were Premier Li Peng, Vice-Premier Tian Jiyun, Vice-Chairwoman of the Standing Committee of the National People's Congress Chen Muhua, Vice-Chairman of the Chinese People's Political Consultative Conference Ye Xuanping and State Councillor Wang Binqian.

Meet Hong Kong, Taiwan Businessmen

*OW1510170791 Beijing XINHUA Domestic Service
in Chinese 1315 GMT 15 Oct 91*

[By reporters Niu Zhengwu (3662 2973 2976) and Sun Benyao (1327 2609 1031)]

[Text] Guangzhou, 15 Oct (XINHUA)—Meeting compatriots from Hong Kong, Macao, and Taiwan who are in Guangzhou to attend the Guangzhou Trade Fair, Premier Li Peng said here today that reform and openness will give a powerful impetus to China's socialist modernization, and that the CPC and the government will firmly follow through with this policy.

After attending the opening ceremony of the 70th Guangzhou Trade Fair today, Li Peng had a cordial meeting with Huo Yingdong [Henry Ying Tung Fok], Ma Man Kei, Zhang Pingzhao, and other businessmen from Hong Kong, Macao, and Taiwan attending the Guangzhou Trade Fair. During the meeting, he said: I am very glad to meet with Hong Kong, Macao, and Taiwan compatriots today, the day of the opening of the 70th Guangzhou Trade Fair. The trade fair is important for promoting China's economic growth and broadening China's foreign trade and economic and technical cooperation with foreign countries. This has everything to do with the cooperation and support from our Hong Kong, Macao, and Taiwan compatriots. I hope we will continue to have your cooperation and support so that the Guangzhou Trade Fair can continue and become better.

Li Peng said: China now enjoys political stability, economic growth, and social stability. The situation is good. Although eastern China was stricken by serious floods, agriculturally the nation will probably still have another bumper harvest, next only to that of 1990, thanks to the efforts exerted by people throughout the country. It is expected that the gross national product will grow by more than 6 percent. Moreover, the market is brisk and commodity prices are stable. All this is favorable for the execution of the 10-Year Program and the Eighth Five-Year Plan.

He said: During my inspection in Shantou, Shenzhen, and Guangzhou, I noticed that these cities have been developing very fast and have changed significantly. This fully shows that China's policy of reform and opening has been very successful and that we must firmly follow through with this policy.

Li Peng highly acclaimed the patriotic zeal displayed by compatriots in Hong Kong, Macao, and Taiwan in their support for China's construction. He hoped the cooperation between the mainland on the one hand and Hong Kong, Macao, and Taiwan on the other will be conducted on an even broader scale from now on.

He said: Hong Kong is a very important region. When there will be one country and two systems after 1997, Hong Kong will maintain its capitalist system and its status of being a trade, banking, and communications center of the world, and continue to enjoy stability and prosperity.

Li Peng pointed out: Over the past two years, the Taiwan authorities have adopted certain policies conducive to promoting mainland-Taiwan ties. However, the activities of the handful of "Taiwan independence" elements who attempt to divide the motherland are going against the wishes of people on the two sides of the Strait. Any schemes attempting to divide our motherland will not succeed.

Vice Premier Tian Jiyun; Chen Muhua, vice chairman of the National People's Congress Standing Committee; Luo Gan, Li Lanqing, and Yuan Mu, responsible individuals of relevant departments of the State Council; Xie Fei and Zhu Senlin, responsible individuals of Guangdong; Wang Pinqing, deputy director of XINHUA's Hong Kong branch; and Guo Dongpo, director of XINHUA's Macao branch, were present at the meeting.

Yesterday afternoon, Li Peng visited some pavilions of the Guangzhou Trade Fair and met with responsible individuals of various trade delegations. Li Peng said: I am very glad to visit the trade fair. This trade fair is getting better each year, and it has played a tremendous part in promoting China's economic growth. He wished the trade fair this year complete success and even more success than that of last year.

Li Peng pointed out: The new successes which China has achieved since the restructuring of its foreign trade system prove that the reform has been a success and should continue. From now on, China's foreign trade goods should be of even better quality, there should be

an even greater variety, and the packaging should be improved so that China's foreign trade will have a broader world market and enjoy even greater growth.

Fair Promotes Exports, Imports

OW1310073891 Beijing XINHUA in English
0648 GMT 13 Oct 91

[Text] Beijing, October 13 (XINHUA)—China's Guangzhou Export Commodities Fair, held twice a year, has played an important part to promote the country's export and import trade in many years.

The 70th Guangzhou Export Commodities Fair is scheduled to open on Tuesday in Guangzhou City, south China.

The fair, originally designed to promote China's exports, will also provide an opportunity for foreign companies to look for Chinese buyers of their products, now that efforts are being made to increase the country's imports.

"Seeking stable growth in imports has been made a long-range guideline for our foreign trade policy," said an official with the Ministry of Foreign Economic Relations and Trade (MOFERT). He made the point that "keeping a proper growth rate for imports has been written into this year's foreign trade plan."

Increased foreign-exchange reserves held by trading companies this year would make the plan attainable, he said.

Trading firms may retain 60 percent of the hard currency they have earned from selling things overseas from this year, under the reformed foreign trade system. Previously they had to sell all their foreign exchanging earnings to the state at the official exchange rate.

Statistics show that during the first eight months of this year, China imported 20.83 billion U.S. dollars worth of goods, nearly 11 percent more than at the same time last year.

Foreign manufacturers are being encouraged to sell more raw materials to China, instead of consumer articles for daily use, the official said.

Although the devaluation of the renminbi yuan against hard currencies will jack up import costs for trading firms, the recent lowering of tariffs on some foreign products will offset part of the impact.

China's exports have enjoyed a boom in recent years. The country exported 38.48 billion yuan worth of goods in the first eight months of this year.

Export transactions concluded at the biannual fairs in recent year normally account for about 20 percent of the annual total.

At the previous fair this spring, business worth 5.74 billion U.S. dollars was done, with more than 44,000 foreign business people attending.

Tuesday's fair is also expected to provide an opportunity for China's trading firms to probe the changing East European market.

Photo of Zhao Ziyang Displayed

HK1810002391 Hong Kong SOUTH CHINA
MORNING POST in English 17 Oct 91 p 10

[By Daniel Kwan in Guangzhou]

[Text] The annual Guangzhou Trade Fair has broken political taboos by displaying the photograph of ousted Communist Party chief Mr Zhao Ziyang in an exhibition of historical pictures.

Almost immediately after his fall from grace in June 1989, central authorities gave instructions that all images of Mr Zhao be removed from government offices, specially exhibition halls.

Mr Zhao's name was only mentioned in the media as a "negative example" to demonstrate the evils of "splitting the party" and conniving at bourgeois liberalisation.

But on the third floor of the main exhibition hall of the 70th Export Commodities Trade Fair, a photograph of Mr Zhao attending the 60th anniversary of the fair was shown with other historical pictures.

The picture showed Mr Zhao with Mr Zhu Senlin, then mayor of Guangzhou, and Mr Wang Pinqing, a former vice-minister of foreign trade who is now a vice-director of the local NEW CHINA NEWS AGENCY.

As if to underline his reduced status, Mr Zhao's picture was exhibited in section four (festivities) and not in section one, which show-cases pictures of "party and state leaders inspecting the Chinese Export Commodities Fair".

Mr Zhu, now the acting Governor of Guangdong, said Mr Zhao had come to the city 10 years ago as a sign of support from the central Government.

"There is nothing unusual about the replacement of state leaders, but it is not a good topic to talk about now," he said yesterday.

Also displayed in section four were pictures of red guards entertaining foreign businessmen who came to participate in the trade fair during the Cultural Revolution.

Late party chief Mr Hu Yaobang, another senior leader dismissed for his failure to curb Western influences, was also featured in the picture show. A photograph of Mr Hu signing an autograph was shown in section one. Pictured with Mr Hu was Mr Hu Qili, a Zhao protege sacked in June 1989 but partially rehabilitated early this year.

One Guangzhou source commented about the Zhao and Hu pictures: "This is typical Guangdong style. We do everything our way."

However, another source, an intellectual, thought differently. "Well, Zhao is history now and he deserves his place in it."

Qiao Shi Inspects Hainan, Stresses Public Order

OW1710081991 Beijing XINHUA Domestic Service
in Chinese 1435 GMT 16 Oct 91

[By reporter Tian Chuan 3944 1557]

[Text] Haikou, 16 Oct (XINHUA)—During his inspection of Hainan, Qiao Shi, a member of the Standing Committee of the Political Bureau of the CPC Central Committee, said: The basic line and various effective principles and policies formulated since the Third Plenum of the 11th CPC Central Committee are totally correct—without the reform and opening policy, today's China would not exist.

From 11 to 16 October, while accompanied by Liu Jianfeng, the deputy secretary of the Hainan Provincial Party Committee and governor, Qiao Shi inspected the Yangpu and Jin Pan Industrial Development Zones, the Sanya Tourist Development Area, the South China Tropical Crops Institute, the Basuogang Wharf, the Shilu Iron Mine, the Overseas Chinese Farm, and some foreign-funded enterprises. He held talks with relevant comrades on improving public order through comprehensive measures, and heard work reports from both the Hainan Provincial Party Committee and the Provincial Government.

In fully affirming Hainan's achievements in establishing the province, developing special economic zones, and instituting reform and opening in the last three years, Qiao Shi said: Great changes have taken place since the establishment of Hainan Province, with the overall economy developing healthily along the orientation of reform and opening. He expressed the hope that Hainan would unswervingly implement the party's basic line and, taking the realities of the Hainan Economic Zone into consideration, boldly explore a way of pushing reform and opening to a new level in the 90's.

Qiao Shi said: The set of correct lines, principles, and policies formulated since the Third Plenum of the 11th CPC Central Committee, has greatly aroused the creativeness of the people of the whole nation, resulting in the promotion of China's economic development. Without reform and opening, today's China would not exist. Our party's reform and opening policy, originating with the people and practice, has won the support of the broad masses of the people, and has brought tremendous changes to China in the last 12 years. Practice has proven that the basic line and various principles and policies made since the Third Plenum of the 11th CPC Central Committee were totally correct. We should deepen reform and open up more in the 90's. As long as we firmly adhere to the party's basic line, the four cardinal principles, reform and opening, and do what we can to develop the economy, we should be able to realize

second-step strategic objectives and pave a good foundation for the accomplishment of third-step strategic objectives in the 21st century.

On the question of strengthening party building, Qiao Shi pointed out: It is only through Marxist education throughout the whole party, the studying of the basic theory of Marxism, the mastery of the spirit and essence of Marxism, the application of the stand, views, and methods of Marxism in solving China's practical problems, the solving of new problems arising from the reform and opening, and the adoption of methods of seeking truth from facts and combining theory with practice, that will enable us to nurture and train the successors to Marxism, make our party the central force in building socialism with Chinese characteristics, and bring great hope to our undertakings.

On the question of improving public order through comprehensive measures, Qiao Shi said: While vigorously promoting economic development, reform and opening has also brought some negative things and the emergence and spread of certain social ills. It is, therefore, necessary to adapt the management of public order to the new situation of reform and opening and take effective measures to crack down on crimes, protect the people, and maintain social stability. Various localities should check various criminal activities detrimental to the masses' interests and social stability, by taking local practical conditions into consideration. Simultaneously, they should handle problems relating to public order in a comprehensive way by arousing the interest of all concerned to play their parts in ensuring a sustained basic social stability—an important guarantee to smooth reform and opening and healthy economic development.

Qiao Shi urged the leaders of the party committees and governments of various levels to place great importance on the work of improving public order through comprehensive measures. It is particularly important to improve and perfect grass-roots organizations, strengthen the building of grass-roots political powers, and turn grass-roots party organizations into a strong political nucleus, upon which the comprehensive handling of public order can rely, and which can ensure the effective implementation of various works.

Survey Shows Increase in Public Sense of Security

HK1810033391 Beijing CHINA DAILY
in English 18 Oct 91 p 3

[By staff reporter: Citizens now Safer on Streets After Dark]

[Text] People are not afraid to go out alone at night in China, according to a recent survey conducted by the Ministry of Public Security to assess public sense of security.

Nearly 70 percent of the 10,000 questioned said they were not afraid of walking alone at night on the Chinese streets, while only half of those questioned in a similar survey in 1989 expressed fearlessness at being out alone in the dark. Whether citizens are afraid to be out alone at

night or not is internationally acknowledged as a major indicator of a safe society. The improvement in China's figures thus indicates a significant improvement in the public sense of security.

The survey covered 15,000 urban dwellers over the age of 16 in 15 provinces, autonomous regions and municipalities including Beijing, Shanghai, Liaoning, Sichuan, Guizhou and Xinjiang.

Forty-seven percent of the respondents said that the present state of public order was better than two years ago while 40 percent said there was no substantial improvement and 13 percent said public order had deteriorated.

When women who worked night shifts were asked if they needed escorting to or from work, 17 percent said yes, 3.4 percent down on figures from the 1989 survey, while 43 percent said no.

Compared with the 1989 survey, fewer expressed fear over strangers calling when they were alone at home. Sixty percent of those questioned said they would resist and fight back if attacked by burglars or muggers and 44 percent went further to say if they witnessed a crime they would go to the rescue. Only 20 percent claimed not to be afraid of muggers.

Government authorities encourage citizens to face up to lawbreakers, but so many people prefer to turn a blind eye. Some local authorities have therefore allocated special funds to award those who stand up to lawbreakers, and the media has carried reports condemning those who have failed to rescue victims from the hands of dangerous criminals.

The survey showed that security had fallen to last place in the list of issues for public concern, compared to second place in the 1989 survey. Two years ago it was price hikes that lead public worries, followed by public order, changing social behaviour and education.

However, police authorities claim that China faces a serious public order problem and has a rising crime rate. Forty-four percent of those questioned said criminal activities were "rather serious" in China and 42 percent said security departments were inconsistent in their policies for dealing with crimes. They complained that police were harsh towards criminals at one time and lenient towards them at another as for the same crime.

Despite these facts, the Ministry of Public Security said that repeated crusades to wipe out crimes in recent years and the country's political stability have contributed a great deal to people's sense of safety.

Li Xiannian Inscribes Series on 'Prominent Figures'

OW1310143391 Beijing XINHUA Domestic Service
in Chinese 1128 GMT 12 Oct 91

["A Forum Marking Publication of the 'Biographical Sketches of Prominent Figures in the History of All the

Democratic Parties in China' (by XINHUA reporter Li Xiaojian (2621 2556 1696) and RENMIN RIBAO reporter Yu Ning (0060 1337))"—XINHUA headline]

[Excerpts] Beijing, 12 Oct (XINHUA)—The Huaxia Publishing House solemnly announced publication of Volumes 1, 2, and 3 of the "Biographical Sketches of the Prominent Figures in the History of All the Democratic Parties in China," a series of books on a grand scale, at a forum held in the auditorium of the National Committee of the Chinese People's Political Consultative Conference [CPPCC] to mark publication of the series of books this afternoon. The publication announcement was made to mark the 80th anniversary of the Revolution of 1911 in China. CPPCC National Committee Chairman Li Xiannian wrote an inscription for the series of books. [passage omitted]

Relevant responsible persons of the Organization Department, the Propaganda Department, and the United Front Work Department of the CPC Central Committee, the central committees of all the democratic parties, and the Chinese Federation for the Disabled attended today's forum.

Recent Plays About Prominent Figures Discussed

HK1510124191 Beijing RENMIN RIBAO
in Chinese 10 Oct 91 p 5

[By Hu Ke (5170 0668): "Roving Thoughts on Subject Matter About Leaders"]

[Text] Recently, I have seen a series of plays portraying revolutionary leaders, including "Story About Mao Zedong," "Mission," "Mao Zedong's Boyhood," "Mr. Zhou Enlai," and "Li Dazhao." I was deeply stirred after every show, and given much food for thought.

It has been just a dozen year since proletarian revolutionaries' images first made their appearances on the Chinese stage. Chinese revolutionary history as one of the sources of subject matter of socialist drama is inseparable from the personal experiences of many proletarian revolutionaries of the older generation. It is quite natural for revolutionary leaders, as non-fictional characters, to be heroes in plays. Nevertheless, it had been almost a blank for quite a long while after the PRC's founding. At that time, there was an unwritten rule recognized by the central authorities that central leading comrades were not supposed to appear in literary and artistic works. Beyond a doubt, such a rule was correct; to promote modesty it was prudent to avoid singing the praises of leading members. But it did restrict the development of plays with subject matter about revolutionary leaders. I recall the 1951 performance of the opera "The Long March," when the character of Chairman Mao made its appearance in the last scene with only one posture and a single line. In the 1959 performance of the modern play "The Storm of August 1," which relates the feats of Zhou Enlai and He Long, the leaders in question made their appearances under assumed names. In the performance of the modern play

"Prelude to the Eastern Expedition" in the same year, the character of Chen Yi was involved, but it was just his voice through a phone call, without the character showing up on the stage. In the wake of the 10-year disaster, many revolutionaries of the older generation whom people admired passed away one after another, and conditions changed. With the fall of the "gang of four," dramatic works portraying revolutionary leaders made their appearances on the stage one after another, shaping into a climax around the Third Plenary Session of the 11th Central Committee. Warmly acclaimed by the audiences were a number of modern plays with leaders' images on the stage during that period, including "Newspaper Boy," "The Autumn Harvest Thunder," "The Dawn," "Chen Yi Leaves the Mountain," "The Xian Incident," "Northern Expedition," "The Decisive Peiping-Tianjin Campaign," "General Peng Dehuai," "Commander Zhu De," "Advance Eastward!" "The Storm That Sweeps Over the Divine Land" and "The Magnificent Kunlun." The audiences' mindset was molded by their bitter hatred for the "gang of four" and their cherishing the memories of revolutionaries of the older generation. For theatrical workers, this was an active response to the demand of the times, with long-term accumulation of life experiences and the fermentation of creation. Those plays did reflect the feelings of the times, producing very great rallying force. However, the theatrical works, movies, and teleplays with subject matter about leaders (including their youth) reflect the aspirations of our audiences today, and a psychological demand at that. In the wake of the turmoil and counter-revolutionary revolt at the turn of spring and summer 1989, many people are reviewing the future of the state and the nation, and young people who take a serious attitude toward life yearn for knowledge of modern and contemporary Chinese history about which they know very little; they yearn to find answers from the experiences in struggles of our party leaders, and to absorb spiritual strength from their great personality characterized by seeking truth and worries about the future of the Chinese nation and its people. Whereas faced with the fact that corruption has eroded our party's body, the portrayal of leaders' upright, honest style marked by hard work and plain living as well as their sterling character, which finds expression in sharing weal and woe with the people, have inspired and enlightened broad audiences, while augmenting their courage and faith in fighting against corruption. Beginning with the modern play "China, 1949" to a number of theatrical works, movies, and teleplays with subject matter about leaders, the strong repercussions they roused have repeatedly made us feel the pulse of the times and the strong vitality of artistic works with subject matter about leaders.

Subject matter about leaders is different from other subject matter. Theatrical works in this category depict historical incidents, portraying revolutionaries of the older generation as non-fictional characters. These revolutionary images each have sharp individuality, through which the brilliance of the proletarian party

spirit is illuminated, embodying the fine qualities shared by numerous people with lofty ideals of the Chinese nation through the ages. Theatrical creation with leaders as subject matter has become an important aspect in China's socialist drama over the past 10 years or so, initially accumulated our own experiences. An explicit common understanding is that these leaders as characters in the play must be portrayed as living persons with individuality, while giving up the practice of their deification to various degrees. I recall when actors first played the roles of leaders on the stage, we would be greatly stirred if their makeup helped in some look-alike effects, and the very appearance of the character of a leader on the stage would bring an ovation. There scarcely was an actor who could portray a leader in image and spirit as well. As to scripts, generally, they were overly cautiously written; basically only the leaders' judgment and decision-making of important events were touched upon. Their innermost feelings, like ordinary people in dealing with relations around them in day-to-day life, were rarely given expression. But this is achieved today in plays portraying leaders' lives. For example, the play "The Mission," a production of Dalian Modern Theatrical Troupe, portrays Mao Zedong against the backdrop of the War To Resist U.S. Aggression and Aid Korea. It depicts Mao Zedong as party and state leader making a correct decision on resisting U.S. aggression and aiding Korea with extraordinary boldness and breadth of vision at the critical moment that concerned China's fate, while portraying how Mao Zedong as an ordinary person dedicated his beloved son to this just cause and experienced the loss of his son. The play deals with his unusual qualities as a leader, while dealing with his feelings for his family just like any man in the street; but as a great Marxist, the expression of his feeling is quite beyond the man in the street. There have been quite a few theatrical works depicting the War to Resist U.S. Aggression and Aid Korea, but "The Mission" has profoundly generalized this historical incident through Mao Zedong's personal fate; such generalization is possible only today. Take another example, "Stories About Mao Zedong," a production of the Xian Modern Theatrical Troupe. The play has even put aside all major historical events, but selected from Mao Zedong's life a few episodes, which were knitted into a dramatic conflict so that the audience may feel the leader's extraordinary qualities through a few ordinary episodes, and the leader's personal joy, vexation, and pain, and his discerning of his own errors all come to light on the stage, whereas the leader's great breadth of vision is keenly felt. All this was quite beyond our imagination a few years ago. Here, I should like to point out especially that because leaders in artistic works are all non-fictional, their daily lives depicted on stage can not be fictional. This being the case, the publication of voluminous historical materials and reminiscences of people who used to work with the leaders has made great contributions to the plays, for such publications have provided ample grounds for the playwrights' comparatively truthful portrayal of leaders' images.

Because of teenager's interest in the revolutionary leaders' experiences in their teens, a number of plays portraying leaders in their teens have surfaced on the stage one after another in recent years, including "The Young Zhou Enlai," a production by the Harbin Children's Theatrical Troupe; "Mao Zedong's Boyhood," a production by the China Children's Theatrical Troupe; and "Mr. Zhou Enlai," a production by the Central Experimental Theatrical Troupe. The childhood of leaders is a new topic in Chinese theatrical creation. It is part of a leader's life; however, the hero is not yet the leader in later life, but an ordinary peasant boy or a child from a feudal family, and they share children's nature just like others. In their childhood, however, they were tempered in adversity, which gradually enabled them to possess some extraordinary characteristics. Relevant playwrights deal with the adversity the heroes have gone through in their growth, the acute class and national contradictions in old China, which shocked the leaders' minds in their childhood, and the sound impact on them by all sorts of people, including teachers with democratic ideas, while giving profound portrayal to their yearning for knowledge and serious contemplation of things around them. By no means did they treat them as gifted. For example, in the play "Mao Zedong's Boyhood," there is a scene in which Mao Zedong fights against his father about going to school, a scene depicting how the massacre of starving peasants rising in revolt shocks Mao Zedong in his teens, and another scene depicting how the boy gives up his superstitious ideas under the enlightenment of his teacher Li Shuqing [2621 3359 3237]. In the play "Mr. Zhou Enlai," focusing on the leader's youth, the playwright gave full depiction of the backdrop, set on the eve of the May 4th Movement, when the fruit of the Revolution of 1911 was usurped by warlords and China was beset with domestic trouble and foreign invasion. The young Zhou Enlai, who is bent on seeking the truth and a way to salvage the nation and people, goes to Japan and eventually finds Marxism. This approach, with efforts to depict the social environment to reveal the course of growth of the leader's character, falls in line with historical materialism, thus revealing historical truth with stronger effects, while profoundly enlightening the audiences.

It seems that no more argument is needed regarding the issue of whether or not it is necessary to portray heroes of our times in theatrical creations. To my mind, aside from the need to portray heroes who play an exemplary role, which surfaces from all fronts in realistic life, there is no question about portraying, in a big way, revolutionary leaders who people are familiar with and have long admired. Building socialist spiritual civilization calls for the inspiration of models, such as Lei Feng, Jiao Yulu, Lai Ning, as well as Li Dazhao, Mao Zedong, Zhou Enlai, Soong Ching-ling, Zhu De, Peng Dehuai, and Chen Yi. Putting on theatrical performances with themes of historical heroes who are popular among the masses is an usual practice of all times; the masses have acquired most of their historical

knowledge from the stage. It is just natural that the experiences of revolutionary leaders have become important subject matter in China's socialist drama. In his speech marking the 70th CPC founding anniversary, Comrade Jiang Zemin pointed out: "The prospects of the socialist cause in China depend, to a large extent, on the condition of the younger generation. It is imperative to base oneself on cultivating the broad mass of teenagers in the spirit of bearing great responsibility for the fate of China's socialist cause in the next 10 years and even the next century." "It is imperative to adhere to conducting education in patriotism, collectivism, socialist ideas, and the communist ideal, and education in contemporary and modern history and national conditions." Theatrical works, movies, and teleplays portraying revolutionaries of the older generation are very conducive to fulfilling such task today. Compared with the richness of Chinese revolutionary history and experiences of revolutionaries of the older generation, our work in this arena is just a beginning.

Li Tieying Attends International Book Show Opening

OW1210222891 Beijing XINHUA Domestic Service
in Chinese 1131 GMT 9 Oct 91

[Text] Beijing, 9 Oct (XINHUA)—China's third biannual foreign book show opened today. On display at the China International Trade Center are over 4,000 books and periodicals published in some 20 languages that introduce our country's great strides in publishing foreign-language books during the past few years to people from all sectors.

The purpose of the book show is to promote an "understanding of China through books and periodicals." Various publishing houses and publishers of magazines under the China Foreign Language Publication and Distribution Bureau, the China International Book Trading Company, CHINA DAILY, and publishing departments from some 20 provinces, municipalities, and autonomous regions sent assorted books and periodicals to the book show. Having been published in recent years, these books and periodicals deal with politics, economics, culture, medicine and health, children's topics, art and painting, and the study of the Chinese language by foreigners. Compared to the two previous exhibitions, this book show displays significantly more books and pictorials dealing with economics, economic laws and regulations, popularization of science and technology, medicine and health, and travel.

Our country reportedly has made rapid progress in publishing foreign-language publications during the course of reform and opening. Since 1980, publishing houses under the China Foreign Language Publication and Distribution Bureau alone have published and distributed approximately 400 million assorted books and periodicals in more than 30 languages. Their distribution network extends to more than 200 countries and regions in the world.

Li Tieying, Zhu Muzhi, and leaders of relevant departments attended today's opening ceremony.

Qian Qichen Awards Prizes at Photo Contest

OW1710123891 Beijing XINHUA Domestic Service
in Chinese 0832 GMT 17 Oct 91

[By correspondent Cai Mingzhong (5591 2494 1813)]

[Text] Beijing, 17 Oct (XINHUA)—SHIJIE ZHISHI HUABAO has been popular with readers from all walks of life since its inauguration in July of 1983, because of its rich contents, wholesome appeal, and value as a source of knowledge, current information, and enjoyment.

This October coincides with the publication of the pictorial's No. 100 issue. "Folklore Around the World," a photography contest held to mark the occasion, evoked an enthusiastic response from a large number of shutterbugs at home and abroad, prompting some 500 photography buffs from a dozen or so provinces and municipalities, including Taiwan Province, to send approximately 2,000 entries into the contest. After screening the entries, the evaluation committee selected the winners. In addition to the front-runner, the winners included three first runner-ups, 10 second runner-ups, and 50 winners of special awards. Among the winners were several shutterbugs from Taiwan Province.

An evening party was held in Beijing recently to celebrate the publication of SHIJIE ZHISHI HUABAO's 100th issue and to present awards to winners in the "Folklore Around the World" photography contest. Qian Qichen, state councillor and minister of foreign affairs, attended and addressed the party. Other guests at the function included some members of the photographic and press communities, press and cultural attaches from foreign embassies in China, and representatives of foreign business organizations in Beijing.

Song Renqiong at Forum on Shanghai Picture Album

OW1210134291 Shanghai People's Radio Network
in Mandarin 2330 GMT 7 Oct 91

[From the "Morning News" program]

[Excerpts] A forum marking the publication of the large picture album "A Day in Shanghai" was held at the Shanghai Hall of the Great Hall of the People in the capital yesterday [7 October]. [passage omitted]

At the forum, Vice Mayor Liu Zhenyuan thanked the editorial committee of the picture album and noted photographers around the country for their contribution to the publication of this world-class picture album.

Song Renqiong, Lei Jieqiong, and Zhu Muzhi attended the meeting.

A ceremony marking the album's publication will be in Shanghai on 9 October.

He Jingzhi on Promoting Socialist Literature, Art
HK1510075891 Beijing RENMIN RIBAO
in Chinese 10 Oct 91 p 5

[Article by Acting Culture Minister He Jingzhi: "Bring Greater Prosperity to Socialist Literature and Art" from the author's speech at the 1st meeting on granting Wenhua Awards to new plays organized by the Ministry of Culture]

[Text] Since the Fourth Plenary Session of the 13th CPC Central Committee, under the correct leadership of the CPC Central Committee with Comrade Jiang Zemin as the core, literary and art circles have seriously implemented the CPC Central Committee and State Council policy of "grasping rectification on the one hand and prosperity on the other," allowing the whole literary and art situation to witness gratifying changes. In particular, after the "national exchange forum on the cultural situation," and the "national forum on drama and opera creation," which were jointly held by the CPC Central Committee and the Ministry of Culture, troupes in various localities actively organized in strength and seriously grasped creation, and a large number of good plays appeared which are superior in ideology and art and are loved by the broad masses of audiences. In particular, during important functions last year such as the Asian Games Arts Festival, the 200th Anniversary of the Anhui Troupe's Entry to Beijing, the National Opera Performance, the 2nd Chinese Drama Festival, and the 8th National Opera and Modern Drama Performance, the broad masses of art workers developed great creative enthusiasm, many excellent art creations and art workers emerged, and a new prosperous scene appeared in literary and art arenas in the nation.

Under this condition, in order to award excellent plays, encourage outstanding talent, and to continue and develop the good trend in creativity, the Ministry of Culture decided early this year to establish the "Wenhua Award." Such a comprehensive government award to those in the stage and art domains further implements party and state principles and policies on the premise of summing up past experiences and lessons and bringing more prosperity to literature and art.

In concrete terms, we must first guide literature and art in the right direction. Literary and art awards are the embodiment of the party's various principles and policies in the new period, the important means to advocate the correct direction of literary and artistic creativity, and an important measure for bringing prosperity to socialist literature and art which has Chinese characteristics and to improve the people's noble appreciation. In recent years, due to the influence of bourgeois liberalization, some rude and vulgar things which were ideologically and even politically harmful contaminated the literary and art arena. Our award is to correct this erroneous trend in creativity and let the broad masses of literary and art workers really understand and act: Our literature and art is to serve the people and socialism. We

encourage literary and art workers to create more and better works which are loved by the broad masses of people, which have socialist ideological contents, and special national art features.

Second, we must encourage art units and literary and art workers to create and perform new plays. Selection for the Wenhua Award focuses on plays and operas; it pays attention to the overall artistic effect of the whole play and demands comprehensive ability involving high standards in the various links in the play and its integrity. Over a rather long period of time, some of our troupes and theaters neglected the creation and performance of new plays and operas and overlooked the principle of "promoting the three's together," and the phenomenon of "always the old play, performed in old way," appeared to the extent that the number of plays decreased and gradually diverged from the masses. At the same time, the training of art personnel was also adversely affected. The Wenhua Award is precisely to promote the further development and improvement of new plays and to induce the emergence of art personnel.

Third, we must improve the standard and quality of literary awards. In the past, for some art categories there were too many awards. Also, the Ministry of Culture did not establish an effective mechanism to encourage art creation. Responding to strong demands from various circles, the Ministry of Culture decided to set up the Wenhua Award this year to establish such a mechanism for stage art creations and performance. The duty of the award committee, which is to be composed of art management cadres and well-known scholars and experts in literary and art circles, is to establish the assessment criteria for socialist literature based on the demands of integrating ideology and art and a unity of content and style, and to carry out an authoritative nationwide assessment for the awards so as to improve the standard and quality of the assessment work.

The new plays we selected for outstanding awards in 1990 reflected the sense of mission and sense of duty among the broad masses of art workers who insist that art is to serve the people and socialism. They reflected the gratifying results in creation and performance by artists, and, at the same time, through the selection of plays for the awards, we should perceive our inadequacies as well as the distance we have to cover in order to meet the needs of the day and the growing spiritual and cultural needs of the people. Various localities should further learn from Marxism-Leninism-Mao Zedong Thought, Comrade Jiang Zemin's "Speech at the Meeting To Celebrate the 70th Anniversary of the CPC," and his speech at the meeting to commemorate Lu Xun's 110th birthday. They should uphold the direction that literature and art are to serve the people and socialism and adhere to the literary and art principles of "let a hundred flowers blossom, a hundred schools of thought contend," "using old things for today's purpose, using foreign things for Chinese purpose," and "eliminating the outdated and promoting the new." They should earnestly meet the demands raised the document entitled "On Current Ideas on Bringing Prosperity to Literature and Art" issued by the CPC Central

Committee, the Ministry of Culture, and the Ministry of Radio, Film and Television; improve the quality of plays and of art personnel; further strengthen the building of troupes; and fight for greater prosperity in socialist literary undertakings.

We believe that with the leadership of the CPC Central Committee with Comrade Jiang Zemin as the core, our broad masses of literary and art workers can certainly enhance their vigor and unite to fight. They should be able to catch up with the times, be at one with the people, and create more and better literary and art works which can live up to our great nation, our great people, and our great socialist undertaking.

Young Pioneers of Beijing Hold 2nd Congress

Li Ximing Speaks

OW1210042891 Beijing XINHUA Domestic Service
in Chinese 0904 GMT 11 Oct 91

[By reporter Gong Wei (1562 5588)]

[Text] Beijing, 11 Oct (XINHUA)—Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing Municipal Party Committee, spoke at the Second Congress of Beijing Municipal Young Pioneers, which opened today. He emphatically pointed out: The broad masses of workers for children should take great pains in making selfless dedication to the work of promoting the healthy growth of youngsters with a high sense of political responsibility and genuine love.

Attending today's opening ceremony were 313 young pioneers from 18 counties and districts and various departments of the Beijing Municipality, instructors and representatives of people who have shown concern for Young Pioneers.

At the meeting, 200 "Lai Ning Detachments" were named and 200 "sparks and torch prizes," 1,000 "red scarf badges," and 50 "showing concern for Young Pioneers" prizes were issued to representatives and various units.

It was learned that the number of Young Pioneers in Beijing Municipality has increased from several hundred shortly after the founding of New China to 1 million today, becoming the largest mass organization in the municipality.

Leaders Recognize 'Model' Pioneers

OW1310182791 Beijing XINHUA Domestic Service
in Chinese 1123 GMT 13 Oct 91

[By reporter Hu Xiaomeng (5170 2556 1125)]

[Text] Beijing, 13 Oct (XINHUA)—The newly elected 10 best Young Pioneers in China attended a report meeting in the Huairen Hall in Zhongnanhai today. Their impressive reports were heard by some 1,000 Young Pioneers of the same age from the capital. Zhang Lin, Ji

Hongbo, Xiong Junfeng, Zhang Chao, Lin Tao, Zhou Tingting, Chen Jun, Wu Wenmei, Yi Na, and Shi Lin are the new model Young Pioneers.

Prior to the meeting, Liu Lantao, Hu Qiaomu, and Kang Shien, Standing Committee members of the Central Advisory Commission; Gu Mu, vice chairman of the National Committee of the Chinese People's Political Consultative Conference; and responsible individuals from relevant departments met with the 10 best Young Pioneers, who reported their activities to the older-generation proletarian revolutionaries and pledged to redouble efforts to win even greater honor. Kang Shien made an ebullient speech. He said: The 10 best Young Pioneers represent the outstanding youngsters of our times. They embody the party's and the state's hopes and demands on the next generation. From their activities, we can see a team of lively successors to our party and our government, as well as the future of the motherland and the nation. It is hoped that youngsters across the country, who are the good children of the party, will emulate the 10 best Young Pioneers and become pillars of socialist construction.

Li Keqiang, secretary of the Communist Youth League Central Committee and chairman of the All-China Young Pioneers Working Committee, spoke at the meeting. He said: The 10 best Young Pioneers comprise another group of outstanding youngsters nurtured by the party and emerging in the campaign to emulate the heroic youth Lai Ning. They epitomize the overall demand of the Young Pioneers organization on its members. Young Pioneers across the country should learn from them. Young Pioneers should immediately make efforts to lay a solid ideological foundation, master practical skills, foster a strong conviction in socialism, and temper themselves in the course of practice so as to prepare to shoulder the heavy responsibility of building socialism in the 21st century.

Shandong University Celebrates 90th Anniversary

Li Tieying, Others Attend

SK1610072791 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 15 Oct 91

[Text] On 15 October, Shandong University held a grand meeting to celebrate its 90th anniversary. Attending the celebration were leading comrades of the province, the Jinan Military Region, the provincial military district, and Jinan city, including Zhao Zhihao, Liang Buting, Li Zhen, Su Yiran, Yan Zhuo, Li Chunting, Song Fatang, Lu Maozeng, Kong Lingren, Wu Fuheng, and Zhai Yongbo. Liu Bin, vice minister of the State Education Commission, specially attended the meeting to extend congratulations.

At the celebration, Zhao Zhihao, deputy secretary of the provincial party committee and governor of the province, extended warm congratulations and cordial greetings to all teachers, students, and administrative staff as well as all alumni of Shandong University on behalf of the provincial party committee and the provincial government.

Zhao Zhihao pointed out: The provincial party committee and the provincial government hope that all teachers, students, and the administrative staff of Shandong University will carry forward the revolutionary tradition; adhere to the socialist orientation in running the university; persist in Marxism-Mao Zedong Thought; conscientiously implement the party's educational principles; give top priority to training competent persons who are both politically and professionally sound; strengthen ideological and political work; educate and guide educational workers and students to conscientiously study the theory of scientific socialism; actually understand the objective necessity and great significance of persisting in the socialist road with Chinese characteristics; resolutely oppose bourgeois liberalization; build Shandong University into a strong front to oppose infiltration, subversion, and peaceful evolution; set an example for various other universities and colleges in the province; and satisfactorily fulfill the glorious task of bringing up competent successors to the socialist cause.

Writing congratulatory inscriptions were Li Tieying, Tian Jiyun, Chen Pixian, Zhang Aiping, Song Jian, and leaders of the party and the state; and Jiang Chunyun, Zhao Zhihao, Liang Buting, Su Yiran, and Lu Maozeng, leading comrades of the province.

Sending congratulatory messages to Shandong University were some state leading comrades, including Gu Mu; leading comrades of the Jinan Military Region, Shaanxi Province, and Jiangsu Province; and Qinghua University, Beijing University, and some universities and colleges in Japan, the United States, and Canada. Attending the celebration meeting were a total of 12,000 persons, including alumni from across the province and the country as well as all teachers, students, and the administrative staff of Shandong University.

Leaders Send Greetings

OW1610083991 Beijing XINHUA Domestic Service
in Chinese 0257 GMT 16 Oct 91

[By reporter Liu Guanquan (0491 7070 2938)]

[Text] Jinan, 16 Oct (XINHUA)—Shandong University marked its 90th founding anniversary yesterday.

Tian Jiyun, Li Tieying, Chen Pixian, Gu Mu, and other leaders sent letters and greeting messages or wrote inscriptions for the occasion.

Shandong University is a school with outstanding achievements. Over the past 90 years, more than 40,000 students graduated from the university. From the period shortly after national liberation to the end of the 1980's, the university trained more than 1,000 graduate students, some 30,000 regular students, and many professional and technical personnel for the society. In addition, the university has sent a number of students to study abroad. In recent years, seven graduates of the university received the honor title of "middle-aged and young experts who have made outstanding contributions to the state" and 31 graduates were

named "top-notch experts of Shandong Province." The Academic Degrees Committee of the State Council and the State Education Commission conferred the honorary title "receiver of China's doctorate or master's degree who has made outstanding contributions" on seven graduates of the university.

Since opening to the outside world, Shandong University has made educational exchanges or established cooperative relations with more than 100 universities and academic units from more than 30 countries. The university has also established friendly relations with 15 universities and colleges in the United States, Australia, Canada, and Germany.

Government To Trim Central, Provincial Levels

HK1210061791 Beijing CHINA DAILY
in English 12 Oct 91 p 1

[By Huang Hong and Li Hong: "Government Ready To Cut Personnel"]

[Text] The Chinese Government is ready to trim the number of government officials at both the central and provincial level to improve efficiency.

An estimated 33 million officials are serving in the country's central and local governments, according to a leading official.

And, the government will continue to promote the separation of government from enterprise management.

Also, it plans to speed up the reform of administrative-personnel management in order to introduce the long-cherished civil service system to Chinese administration, said Zhang Zhijian, Vice-Minister of Personnel, at a news conference yesterday to announce the 14th General Assembly of the Eastern Region Organization for Public Administration (EROPA).

The assembly, with more than 160 representatives from 24 countries and regions, will meet in Beijing next week.

Zhang revealed that the Central Committee of China's Communist Party had just set up a special organization and establishment committee, headed by Premier Li Peng, to monitor streamlining overstaffed government departments.

Official statistics show that the central and provincial governments are overstaffed by about 500,000 people at present, "who are paid but doing little."

The vice-minister said at the press conference that it would be hard to curb the present administration scale from developing, let alone to reduce staff numbers, because every year about 1 million university graduates and demobilized service-men are expected to enter government agencies, but only 400,000 are expected to retire.

He predicted that by 2000, total government workers will surpass 40 million if strict control measures are not in place.

China made the first big cut in its swollen State Council in 1988, which trimmed the previous 72 ministries and agencies to 68, cutting 8,000 jobs which accounted for 15 percent of the aggregate State Council functionaries.

BEIJING WEEKEND Starts Publication

HK0410082891 Beijing CHINA DAILY
in English 4 Oct 91 p 3

[By staff reporter: "Weekend Tabloid Launched"]

[Text] After six months of preparations and 11 trial issues, the first official issue of CHINA DAILY's BEIJING WEEKEND hits the streets today.

BEIJING WEEKEND is a 16-page tabloid newspaper providing information on holiday events, news for the foreign community in the capital and provides shopping, travel and entertainment guides to make life in the city easier, more comfortable and colourful.

Besides regular news and feature stories, BEIJING WEEKEND carries special features such as "Questions and Answers", "Hotel Updates", "In History", and "City Briefs" to help readers know the city better.

For those who love Chinese cuisine, BEIJING WEEKEND also offers restaurant reviews every week.

Five pages of listings will give readers plenty of choices in deciding where to go, what to do and what to see.

BEIJING WEEKEND is now available at the Friendship Store, major tourist hotels, and from newspaper vendors throughout the city.

BEIJING WEEKEND is a service oriented newspaper and will soon offer classified advertisements that cover food and drink, jobs, a goods exchange, and personal services.

QIUSHI No 20 Table of Contents Carried

HK1810094291 Beijing RENMIN RIBAO
in Chinese 15 Oct 91 p 5

[Table of Contents for QIUSHI No 20, 16 Oct 91]

[Text] Article by Ismail Amat: "Coordinated Development, Common Prosperity—Thoughts on Several Questions Concerning Development in Minority Nationality Areas in 10 years To Come"

Article by He Guanghui: "Change Managerial Mechanisms To Improve Vitality of Large and Medium Enterprises"

Article by Chen Yeping: "Self-Conscientiously Maintain Party's Authority"

Article by Wang Yuanxiang: "On 'Return to Literature Itself'"

Article by Li Guixian: "Steadfastly Push Forward Socialist Reform of Financial System"

Article by Liu Zhengwei: "Coordinated Development in Food Production, Population, Ecology Is Basis for Mountain Areas To Extricate Themselves From Poverty"

Article by Gao Yi, Deng Chundong: "Several Questions Which Must Be Solved To Enhance Role of Staff, Workers as Masters of Their Own Affairs—An Investigation of Situation in Some Enterprises"

Article by Sun Ruiyuan: "Reality of Transition to Socialism"

Article by Zhao Baohua: "Artists Rediscover Mao Zedong—On Mao Zedong's Image in Recent Film, Television, Stage Dramas"

Article by Zang Kejia: "Always Sing Aloud the Song Dedicated to Party"

Article by Liu Zhang: "Father—Value of a Communist (poem)"

Article by Peng Jiajin: "Hero Made by 'Heavy Hammer'—Viewing Television Serial Drama 'Secretary of Central Commission for Discipline Inspection'"

Article by Shi Mang: "Family Letter Is Worth Its Weight in Gold"

Economic & Agricultural

'Serious' Financial Situation Swells Deficit

HK1710135491 Hong Kong AFP in English 1339 GMT
17 Oct 91

[Text] Beijing, Oct 17 (AFP) - China will probably lose more money this year than it expected as severe financial difficulties swell the deficit, an official newspaper reported Thursday.

"The country's present finances are confronting big difficulties. The entire financial situation is quite serious," Finance Ministry Spokesman Wang Xingyi was quoted as saying by the ECONOMIC INFORMATION DAILY.

Wang said it was "very probable" that the 12.3 billion yuan (2.3 billion dollar) deficit previewed for this year would be surpassed. He said immediate steps had to be taken to remedy the crisis and stressed the need for reforms.

The spokesman said a major cause of the crisis was the decentralization of spending away from Beijing, saying his ministry "lacks the necessary power to adjust and control" the flow of capital.

Most of the country's capital was circulating outside of the financial system because of its "weakness" in functioning, Wang said.

Chinese economists say that local governments have been resisting attempts by the center to rein in double-digit industrial growth despite the fact that factories are churning out unwanted goods and losing money.

Wang also blamed Beijing's red books on the severe flooding that hit China's grain belt this summer, the inefficiency of state industry and the failure of measures designed to increase revenue.

Other problems facing the country were the rapid rise in both internal and foreign debt from 1989 to 1990, which left central financial authorities with "no choice but to rely on giving new loans to get back old ones."

State subsidies, including for food and industry, are also draining central coffers, accounting for more than a third of spending last year.

Enterprises were budgeted to lose 50 billion yuan (9.3 billion dollars), Wang said. He said profits of state enterprises on every 100 yuan (18 dollars) of capital were just 2.7 yuan (0.50 cents), a fifth of the 1985 figure.

Expenditures were increasing too fast, especially spending on administrative personnel, Wang cautioned.

China launched an anti-inflationary austerity program in late 1988 to cool an overheated economy, but economists now say in effect it is over since tight credit policies were already relaxed greatly.

"Many economists are predicting a new bout of high inflation next year. In fact, inflation has already been rising steadily this year, but official methods of calculation have been hiding it," one economist said.

China's calculations for its budgets are also skewed, because unlike the International Monetary Fund (IMF) it includes foreign and domestic debt as income.

This year's projected deficit was reduced by 190 million yuan earlier this year after the parliament expressed concern over its size.

Special Economic Zones Continue Development

OW1710171791 Beijing XINHUA in English
1413 GMT 17 Oct 91

[Text] Guangzhou, October 17 (XINHUA)—The 14 economic and technological development zones of China have seen several developments in recent years, according to an official of the Special Economic Zones Office of the State Council.

These zones were opened by the state after the reform and open policy was implemented at the beginning of the 1980s.

The official said that the developments include the following:

- The scope of foreign investment has been enlarged. Some transnational corporations and groups have begun to invest large amounts of capital in the zones. At present, the average investment per project amounts to four million U.S. dollars. Some joint ventures in Dalian, Tianjin, Guangzhou, Shanghai and Qingdao involved investments of more than 10 million U.S. dollars.
- The number of hi-tech enterprises has increased. The export capacity and the quality of products has been improved markedly.

—Economic efficiency has been improved significantly. According to the State Statistics Bureau, the total production of the foreign-funded enterprises of the 14 zones amounted to 4.5 billion yuan (about 900 million U.S. dollars) in 1990, 37.2 times that of 1987; the export value reached 390 million yuan (78 million U.S. dollars), 13.4 times that of 1987; the profit accounted for 455 million yuan (91 million U.S. dollars), up 3.9 times over that of 1987.

And in the first half of this year, the output value, export value and profits of the foreign-funded ventures in the 14 development zones increased by 106 percent, 134 percent and 76 percent respectively over the same period last year.

Island Leaders Discuss Economic Cooperation

OW1710114091 Beijing XINHUA in English
0727 GMT 17 Oct 91

[Text] Shanghai, October 17 (XINHUA)—The third national meeting participated by leaders of 13 island cities and counties in China was held recently on Chongming Island, a part of Shanghai Municipality.

The goal of the meeting was to promote economic construction and economic cooperation between China's island cities and counties.

Participants in the meeting said that island economies have played a unique role in modern economic development. At present, the economies of China's island cities and counties are on the rise, and, according to the leaders, they must persist in the principles of comprehensive development of fisheries and other sea related activities.

The leaders also discussed ways to strengthen cooperation related to fishing activities, domestic and foreign trade, and resource development and technical training, as well as scientific and technological development. They also discussed the establishment of an information network between the islands.

An agreement of economic cooperation was signed during the meeting.

Song Hanliang Recounts Xinjiang Achievements

HK0910132991 Beijing RENMIN RIBAO
in Chinese 4 Oct 91 p 5

[By Song Hanliang (1345 3352 5328): "Xinjiang Strides Forward on Socialist Road"]

[Text] Xinjiang is a valuable border area in the northwest of the great motherland, with many nationalities, rich resources, and an important strategic position. Over more than 40 years, the people of various nationalities have made tremendous changes in Xinjiang through their harmonious and painstaking efforts under the leadership of the CPC and the guidance of the party's nationality policy. At present, throughout all of Xinjiang, there is political stability, solidified border

defense, economic development, and nationality unity. The people of the various nationalities are living peacefully and working happily. Socialism's superiority has been fully displayed in Xinjiang.

The socialist system's establishment has greatly emancipated productive forces and has brought about fundamental changes in Xinjiang's poor and backward conditions. Agricultural and animal husbandry production has been increasing steadily; the variety of agricultural and sideline products has been enriched; industry has also been growing out of nothing and from small to large in scale, and an integrated modern industrial system has been built up. In 1990, the region's industrial and agricultural output value reached 36.457 billion yuan (according to the 1980 constant prices, the same below), 28.9 times the 1949 figure. To break it down, the agricultural output value was 14.465 billion yuan, or 12.4 times as much as that in 1949; and the output of grain, cotton, and oil-bearing crops was respectively eight, 91.9, and 13.6 times that in 1949; the total industrial output value was 21.99 billion yuan, or 142.7 times that in 1949.

In particular, reform and opening up have brought about marked changes in Xinjiang's economy. The region's 1990 gross domestic product was 3.4 times that in 1978, or an average annual increase rate of 10.7 percent; the total social income in 1990 was 3.1 times that in 1978, or an average annual increase rate of 9.9 percent; the total industrial and agricultural output value was 2.5 times that in 1978, or an average annual increase rate of 10.9 percent. The speed of economic growth was higher than the national average in the same period.

Transportation conditions in Xinjiang have also been greatly improved. At present, a three-dimension transport network composed of railways, highways, air routes, and pipelines linking all cities and towns and stretching to all districts has been built up. In 1990, the total mileage of highways opened to traffic in Xinjiang was 25,400 kilometers, 7.5 times that in 1949. Highways have now reached every county and township in Xinjiang. In particular, in September 1990, the second Eurasian transcontinental bridge (that is, the 460-kilometer Northern Xinjiang Railway line from Urumqi to Ala Mountain pass) was completed and put into operation. This added more favorable conditions to the implementation of the policy of "developing domestic economic association, attracting foreign investment, taking in materials from the east, and exporting products to the west" in the course of opening up to the outside world. At present, there are 11 domestic trunk air routes linking Xinjiang to other parts of the country, 10 local air routes inside Xinjiang, and one international route. The Urumqi airport has become one of our country's five major international airports. A modern postal and telecommunications network stretching to all parts of the region with Urumqi as the center has also taken shape. The situation in which postal matters were carried by horses and donkeys and telegrams were delivered by camels in old Xinjiang is gone forever.

With economic development and the expansion of reform and opening up, Xinjiang's economic strength has greatly increased. The main agricultural and animal products are not only self-sufficient in Xinjiang but also transferred to other localities in large quantity. The self-sufficient rate of industrial goods has reached 60 percent. Xinjiang has exported many of its products to international markets and has established trade relations with more than 50 countries. Markets throughout the region are brisk; prices are stable; the government's revenue has been increasing every year; and the living conditions of the people of various nationalities have been improving, with the per capita annual income of peasants and herdsmen reaching 620 yuan in 1990.

With the prosperity of the socialist economy, the educational, cultural, and public health undertakings in Xinjiang have also been developing vigorously. The scientific personnel contingent composed of people of various nationalities has been growing year after year. The research systems of natural sciences and social sciences, with various branches being properly coordinated, have basically taken form, and the layout of the research institutes is reasonable and their research projects are of local characteristics. The results of some research projects reached the advanced level in China or the world. A large quantity of scientific research achievements has been applied to production and has promoted Xinjiang's rapid economic development. The scale of education has been expanding year after year, and the level of education has been rising. At present, there are 21 institutions of higher education in Xinjiang with a total of 31,000 students, and minority nationality students account for 56.4 percent; 112 middle-level polytechnic schools with 46,000 students, and 52.0 percent are minority nationality students; 1,958 ordinary middle schools with 863,100 students, and minority nationality students account for 44.95 percent; and 7,247 primary schools with 1.8572 million pupils, and 68.3 percent are minority nationality pupils. Adult education has also been developing every year, and its quality has been increasingly enhanced. Cultural, public health, and sports undertakings have all made substantial progress.

In order to enable the people of all nationalities to shake off poverty as soon as possible to get rich together, the autonomous region party committee and government have formulated some special policies for assisting poor areas and have adopted many effective measures to help minority nationalities in living in remote farming and pastoral areas develop their economies, thus narrowing the regional gap and promoting the common prosperity of all nationalities.

The party's nationality and nationality regional autonomy policies have won brilliant victories, and a large number of minority nationality cadres with socialist and communist consciousness have been reaching maturity. At present, there are 240,000 minority nationality cadres in Xinjiang, accounting for 46 percent of the total number of cadres in the whole region. In particular, minority nationality cadres account for 65.3 percent of the members of the regional

people's congress standing committee and of the officials of the regional people's government; all government chairmen of the autonomous region, various subordinate autonomous prefectures and autonomous counties, all prefectural and county magistrates, mayors, and local people's congress standing committee chairmen are minority nationality cadres. Minority nationality cadres account for 87.78 percent of leading cadres at the county (city) level throughout the region. They have formed a backbone force in the autonomous region's socialist modernization, and have been playing an important role on various fronts. Cadres and ordinary people of all nationalities have formed close unity and have been getting along harmoniously in the prolonged course of revolution and construction. The people have deeply understood that "Han Nationality and minority nationalities cannot be separated from each other." A new type of socialist nationality relations characterized by equality, unity, and mutual assistance has been taking shape.

Xinjiang's tremendous achievements in socialist construction are inseparable from the care and support of the people of all nationalities throughout the country. Since the founding of the PRC, the party central leadership and the State Council have always showed loving care for the people of various nationalities in Xinjiang by offering great manpower, material, and financial support to Xinjiang. In the past 41 years, the state has continuously increased capital investment in Xinjiang, and the total amount reached 32.415 billion yuan, accounting for 70.67 percent of Xinjiang's total capital construction investment. From 1952 to 1989, the state allocated 29.076 billion yuan of financial subsidies to Xinjiang, which accounted for 60.7 percent of Xinjiang's total expenditures in the same period. The unsparing support of the state and the people in other provinces, municipalities, and autonomous regions enabled the people of various nationalities in Xinjiang to fully enjoy the happiness and warmth of the socialist big family on our motherland.

Through reviewing Xinjiang's triumphant course in the past 41 years and summing up both positive and negative experiences, we have come to deeply realize the following points:

We must firmly adhere to Marxism-Leninism-Mao Zedong Thought and adhere to the socialist road with Chinese characteristics. Marxism-Leninism-Mao Zedong Thought forms the theoretical foundation for our thinking. The theory about building socialism with Chinese characteristics is the result of Comrade Deng Xiaoping's effort to combine the universal truth of Marxism-Leninism-Mao Zedong Thought with China's reality in the current stage, and represents perfection and development of Marxism-Leninism-Mao Zedong Thought. No matter what changes occur in the international situation or what difficulties and setbacks appear in the process of advances, we shall unswervingly adhere to the four cardinal principles, oppose peaceful evolution, oppose bourgeois liberalization, and oppose nationality separatism; and safeguard the motherland's unification.

We must strengthen the great unity of all nationalities, and ensure Xinjiang's political and social stability. Xinjiang is a multinationality region. Strengthening nationality unity concerns Xinjiang's overall interests and is the precondition for winning victories in all fields. Xinjiang's history shows that when various nationalities are united, the region will be prosperous; when there is a split between various nationalities, there will be turmoil and decline. We should consistently place the work of keeping nationality unity in the top position, and cherish nationality unity like our own eyes, and cherish the good situation of nationality unity which does not come easily like our own lives. We should strive to keep all nationalities sharing weal and woe and working with one heart and one mind. We should bear in mind that internal and external elements of nationality separatism constitute the main factor that endangers Xinjiang's stability, and should always maintain a high degree of vigilance against subversion, sabotage, and infiltration, thus keeping long-lasting peace and order in Xinjiang and creating a benign social environment for socialist construction and for our work in various fields.

We must proceed from Xinjiang's reality and concentrate all strength on economic construction. Our experience in the past more than 40 years shows that it is necessary to consistently consolidate the status of agriculture and animal husbandry as the foundation for the economy and ensure the increasing enrichment of agricultural and animal products; to strengthen the infrastructural construction of energy, transportation, raw materials, and communications; increase new production capacity every year; increase the lasting momentum of economic growth; to increase financial revenue; to boost county-level economies; to raise the accumulation level; to go all out to develop educational and scientific undertakings; to train all types of technical and professional personnel; to rely on scientific and technological progress to promote economic development; to continuously raise the quality of the people's material and cultural lives on the basis of production development so that the people of all nationalities can fully realize the superiority of the socialist system; to further emancipate people's thinking; to deepen reform; to expand the scale of opening up; to seriously implement the strategy of "developing domestic economic association, attracting foreign investment, taking in materials from the east, exporting products to the west, and opening up in full scale"; to boost economic vigor; and to arouse the initiative of the people all nationalities.

The next 10 years will be crucial to our country's socialist modernization, and also an important period for winning greater victories in Xinjiang. We must conscientiously implement the spirit of the Seventh Plenary Session of the 13th CPC Central Committee, implement the spirit of Comrade Jiang Zemin's 1 July speech, clearly size up the situation, keep firm confidence, give full play to Xinjiang's resources advantages, overcome difficulties, meet challenges, quicken the pace of reform and opening up, strive to fulfill and overfulfill the Eighth

Five-Year Plan, promote the sustained, stable, and harmonious development of Xinjiang's economy, and make greater contributions to the state.

Guangxi Works To Develop Transportation, Energy

*HK1010122391 Beijing RENMIN RIBAO
in Chinese 3 Oct 91 p 2*

[By staff reporter Zheng Shengfu (6774 4141 0023): "Guangxi's Development of Transportation of Energy Resources Shows Tremendous Momentum"]

[Text] Guangxi Zhuang Nationality Autonomous Region, which is located in a remote area and is inhabited by a large population, is going all out to develop transportation and energy construction by modern standards. The construction of some large power plants and high-class highways has brought a new and inspiring look to the region.

At present, 22 key projects are under construction in Guangxi, and 12 of them are transportation or energy projects.

The Hong Shui He flows across Guangxi, and is called a rich hydropower mine. The development of the Hong Shui He energy sources has been unfolded in full scale. In its upper valley, the Tianshengqiao first-step and second-step hydropower plants, with a total power generating capacity of 2.52 million kilowatts, are now under construction. In the river's middle valley, the Yantan Hydropower Station is being built with a power generating capacity of 1.2 million kw. Its No. 1 generator set is expected to be put into operation in 1992. To support these power plants, a super-high-pressure power transmission line, that stretches a long distance with a large capacity, is being erected from Tianshengqiao to Guangzhou via Pingguo and Wuzhou. In addition, Guangxi also develops thermal power stations to ensure the power supply in dry seasons. A 430-kilometer power transmission line around the region is also planned. It is expected that by the end of the Eighth Five-Year Plan period, the power generating capacity of Guangxi's hydropower stations will be twice as much as the existing capacity, or will exceed 6 million kw. Then, the idea of "transmitting electricity from the west to the east" will come true.

Guangxi is also stepping up transportation construction. The 204-kilometer second-class highway from Nanning to Beihai was completed and opened to traffic in October last year; another second-class highway from Nanning to Wuzhou, over 400 km long, has also been built. The authorities are also planning to build a second-class highway from Nanning to Bose and a first-class highway from Nanning to Guilin via Liuzhou. Thus, a network of high-class highways, with the regional capital of Nanning as the center, will take shape and stretch in all directions. As for railway construction, the section between Nanning and Pingguo, as a key state project, has been started; and it will be part of the railway between Nanning and Kunming. The railway project between Qinzhou and Beihai will soon be started. Guangxi is also planning

river navigation, harbor, and airport projects. After the grain entrepot harbor terminal in Fangcheng is completed, it will become the coastal autonomous region's sole 100,000-ton-class harbor terminal.

RENMIN RIBAO Commentary on Energy Saving

*HK1010100891 Beijing RENMIN RIBAO
in Chinese 8 Oct 91 p 1*

[Commentator's article: "Pay Close Attention to Saving Energy"]

[Text] The "National Energy-Saving Propaganda Week of 1991" formally started 7 October. The purpose of this national energy-saving propaganda week is to carry forward and promote the Chinese nation's fine tradition of building up the country through thrift and hard work; reinforce the whole people's awareness for the need to save energy, conserve natural resources, and protect environment; propel economic development; and push forward the building of spiritual civilization.

Since the beginning of this year, various localities and departments have all taken energy saving and consumption reduction as an important aspect of the "quality, variety, and efficiency year" activities and have achieved good results. In the first half of the year, energy consumption across the country increased 2.5 percent over the same period last year, lower than the 6.1-percent GNP growth rate; the energy consumption per 10,000 yuan in the total industrial output value dropped to 2.92 metric tons of reference coal from 3.06 metric tons in the same period last year, the rate of energy-saving being 4.59 percent. From January to June, the energy saved and spared was equivalent to 13.27 million metric tons of reference coal. However, one should also see the pending problems at the same time. These mainly include: inadequate understanding of the significance of energy saving and paying sole attention to development and speed at the expense of economizing and efficiency; discrepancy between the input of money for energy saving and the tasks of energy saving; and the incongruity of measures for implementing the energy saving policy; and so on. We must grasp the spirit of the inscriptions written by Comrade Jiang Zemin and Comrade Li Peng for the 1991 National Energy-Saving Propaganda Week and conscientiously act according to them in our work.

Energy is an important material requisite for our economic construction and people's livelihood. The pace of our economic construction is, to some extent, dependent on the amount of energy our country can provide. Though the total energy reserve in our country is quite large, the per-head share is only half the world average, taking the 80th place in the world. Furthermore, the mineral reserves of energy is limited and keeps going down when consumed, so we should treasure it. In order to safeguard the sustained and steady development of our economy and the happiness of the coming generations, we should adopt the idea that our energy resources

are "abundant in total amount, inadequate when shared by the population, and must be economized on." The idea that our country has a vast territory and rich resources and a little waste is not disastrous, and the inclination toward immediate interests at the expense of long-term interests are both wrong.

At present, the energy utilization ratio in our country is low and there is great potential for energy saving. Last year, our energy consumption approximated 1 billion metric tons of reference coal, the effective utilization ratio being around 30 percent only on average. Compared to the advanced international standards, the potential for energy saving was over 300 million metric tons of reference coal. Naturally, however, there are many incomparable factors here. But the unit energy consumption of chief industrial products shows an obvious difference. Compared with developed countries, in our country, the coal consumption for power generation is 32 percent higher, the energy consumption for producing steel and synthetic ammonia 30 percent higher, that for cement production 66 percent higher, and so on. Thus it can be seen that there is great potential to be tapped for energy saving in our country.

The coming 10 years will be a key decade wherein our country is to achieve the second-step strategic goal for modernization. During the Eighth Five-Year Plan period, our country's energy production will grow at an annual rate of 2.4 percent. But with the development of industrial production, the strain on the energy supply will be a long-term problem. How to solve this problem? The central authorities' principle is: paying equal attention to development and energy saving and giving priority to energy saving for the time being. Energy saving enhances the utilization ratio of natural resources and reduces environmental pollution, and, therefore, is an important measure for improving economic efficiency. The most important task at present is to further the work in energy saving, strengthen management of energy saving in enterprises, and continue to improve the energy saving contract responsibility system. It is necessary to vigorously promote the progress in energy saving technology and popularize the application of new processes, technology, equipment, and materials in energy saving. In saving energy, we should attach importance to both big projects and small items. We should pay attention to the small-scale reforms and proposals for rationalization from the masses.

The work in energy saving involves all aspects of production, life, and society. It is imperative to fully mobilize and rely on the masses. We have a population of over 1.1 billion. If each person saves 1 kw-hour of electricity, the total power saved will be equivalent to the annual output of a large-scale power plant. If each person saves 1 kg coal, the total will equal the annual output of a million-tonnage coal mine. Furthermore, through the propaganda and education on energy saving as well as the corresponding practice, a fine atmosphere of "honoring energy saving and despising energy waste" can be

established in the entire community, especially among the young generation. This is why saving energy bit by bit is so significant.

Government To Invest 500 Billion Yuan in Housing

OW1310135391 Beijing XINHUA in English
1332 GMT 13 Oct 91

[Text] Beijing, October 13 (XINHUA)—China will raise 495 billion yuan in the coming 10 years to build some 1.65 billion sqm of housing.

A three-level (state, working unit, citizen) construction fund system will be set up for this purpose.

It is expected that an annual 150 million sqm of housing during the Eighth Five-Year Plan period (1991-1995) and an annual of 180 million sqm of housing during the Ninth Five-Year Plan period (1996-2000) will be built.

At present, the state accounts for 23 percent, working units for 60 percent and the citizens for 17 percent in housing investment.

In the coming 10 years, however, the state investment will be reduced to about 20 percent of the total, while the percentage of citizen housing investment will rise to 30 percent or up.

The citizens will increase their housing investment in different ways, including readjustment of rents, purchase of housing bonds, development of housing deposit.

Building Materials Production, Markets Recover

OW1410071691 Beijing XINHUA in English
0556 GMT 14 Oct 91

[Text] Beijing, October 14 (XINHUA)—The production and marketing of building materials are recovering gradually from a sluggish year.

According to the State Building Materials Bureau, the production of state-owned building materials firms has increased by 13 percent since the beginning of this year; the output of cement has increased by 20 percent compared with last year's figure.

The total export of cement is expected to reach eight to 10 million tons this year.

So far this year, the export of glass has reached 5,000 sq m, more than double the export in the same period of last year. The demand for other types of building materials on local and overseas markets is also rising.

Statistics Show Increase in Annual Production

OW1110082291 Beijing XINHUA in English
0715 GMT 11 Oct 91

[Text] Beijing, October 11 (XINHUA)—A total of 35 cities in China now have an annual production value exceeding 10 billion yuan (two billion U.S. dollars) each.

The State Statistics Bureau recently released information showing that the total production value for the group surpassed 618.7 billion yuan (123.6 billion U.S. dollars) last year, or 35 percent of the total production value for the entire country.

The 35 cities include: Shanghai, Beijing, Guangzhou, Tianjin Chongqing, Suzhou, Shenyang, Dalian, Hangzhou, Chengdu, Qingdao, Nanjing, Wuxi, Yangzhou, Wuhan, Daqing, Weifang, Ningbo, Yantai, Shenzhen, Jinan, Nantong, Foshan, Tangshan, Harbin, Shantou, Xuzhou, Zhengzhou, Zibo, Changchun, Xian, Yancheng, Fuzhou, Huaiyin and Anshan.

Shanghai ranked first with a total production value of over 74.47 billion yuan, while Shenzhen ranked first in growth rate.

The cities can be divided into four categories, each of which has particular advantages. Cities such as large cities like Beijing, Tianjin, Shanghai and Guangzhou have recorded remarkable progress in comprehensive economic, scientific, technological and cultural development.

While open coastal cities and special economic zones, including Dalian, Qingdao, Ningbo and Shenzhen, have stressed the development of export-oriented products.

At the same time, cities like Daqing, Weifang, Tangshan and Anshan have used the strong foundation provided by their energy resources and existing industries.

In addition, smaller cities such as Suzhou, Wuxi and Yangzhou have recorded notable achievements in developing rural industrial enterprises.

East Region

Anhui Fulfills Export Plan Ahead of Schedule

OW1810044191 Beijing XINHUA in English
0129 GMT 18 Oct 91

[Text] Hefei, October 18 (XINHUA)—East China's Anhui Province has fulfilled its annual export plan three months ahead of schedule.

In the first nine months, export volume was worth 540 million U.S. dollars, an increase of 3.6 percent over the annual plan's target.

The province has approved 72 foreign-funded projects with contractual foreign funds totaling over 37.3 million U.S. dollars.

The province has expanded the introduction of technology, signed 94 agreements and spent over 52.7 million U.S. dollars in the sector, an increase of over 19 million yuan compared with the same period last year.

Xiamen SEZ To Co-Produce Apple Computers

OW1710063991 Beijing XINHUA in English
0234 GMT 17 Oct 91

[Text] Xiamen, October 17 (XINHUA)—The Xiamen Special Economic Zone (SEZ) in south China's Fujian Province has recently signed 20.8 million U.S. dollars worth of contracts with overseas companies involving computers, digital machine tools, semi-conductive materials and crystal displays.

During investment and trade talks held here in September, the Torch High-Tech Industrial Development Corporation (HIDC) in the SEZ signed contracts with four overseas companies. In the future, the company will co-produce Mac-model [Macintosh] computers with the American Apple Computer Corp. It is the first cooperative project Apple ever carried out in the country. Under another contract, HIDC will introduce technology from Canny Sun International Ltd. of Hong Kong for producing liquid crystal displays. HIDC will also introduce a production line of copper alloy cord used in transistors from the Fan Jia International Co. Ltd. of Hong Kong.

In addition, the corporation has signed a contract with Chanda Enterprises Co. Ltd. to establish a software center. The contract involves production of computerized digital-controlled machine tools, computer software, communication networks and integrated circuits.

The Xiamen SEZ set up the Torch High-Tech Development Zone at the end of 1990 under the co-sponsorship of the city government and of the State Science and Technology Commission. The SEZ has built complete transportation and basic facilities in the 84 ha [hectare] zone located to the north of the city. New workshops are under construction in the high-tech zone. Above all, discussion of dozens of

high-tech cooperative projects between Xiamen and overseas companies are underway.

The SEZ has drafted a number of favorable policies for overseas investors to set up high-tech industries in the zone. The SEZ has planned to increase the percentage of high technology application in its economy to 45 percent in the next five years.

Jiangsu Party Committee Holds Work Meeting

OW1810020591 Nanjing Jiangsu People's Radio
Network in Mandarin 1015 GMT 16 Oct 91

[Text] The provincial party committee held a work meeting in Nanjing from 14 to 16 October. The central topic of the meeting was to disseminate and implement the guidelines of the central work conference and to study how to improve the work of state-owned large and medium-sized enterprises. The meeting also transmitted the important speeches made by comrades Jiang Zemin and Li Peng at the central work conference.

Shen Daren, secretary of the provincial party committee, presided over and made a summing up speech at the meeting.

Chen Huanyou, deputy secretary of the provincial party committee and governor of Jiangsu, spoke at the meeting about the current economic situation in the province and how to improve the work of large and medium-sized enterprises.

The meeting noted that the overall economic situation in the province is continuously improving. Losses in agricultural production were less than expected, and industrial production is being restored at a relatively fast pace. Export of commodities and utilization of foreign capital both registered large increases. Commodity prices in the market are relatively stable, as is the financial situation as a whole. However, there are some conspicuous problems in the economy. Damages to agriculture have affected production and people's livelihood; economic efficiency in industrial production is decreasing; the revenue situation is grim; and economic circulation is relatively poor.

The meeting pointed out: It is essential to firmly and resolutely change our concept and to straighten out our guiding thoughts towards economic work. It is essential to resolutely change the situation in which output value and speed are overemphasized in a blind manner, and thus achieve conformity between speed and economic efficiency. We should pay more attention to evaluating economic efficiency and less attention to reaching production targets. It is also essential to stress economic efficiency in evaluating the performance of cadres as well as in selecting advanced units and propaganda work, thus refraining from overemphasizing output value. The broad masses of cadres and workers should raise their consciousness of economic efficiency. It is essential to firmly adhere to the road of tapping the potentiality of enterprises; to strengthen operation and management; to

raise the quality of products; and to grasp the development of new products and their marketing. It is essential to implement various measures of using science and technology in order to make this province prosper; to make efforts to adjust the economic structure; and to speed the pace of opening up to the outside world.

The meeting set clear demands for grasping economic work before the end of this year. It also pointed out: To improve the work of large and medium-sized enterprises, the key is to grasp the implementation of existing policies and measures and deepen reform. People at all levels and in all departments should work with concerted effort. Various policies and measures for improving the work of enterprises must be truly implemented to assist enterprises. Leading organs should interfere less with the work of enterprises and should give more support to as well as provide better services for enterprises. On the other hand, enterprises should foster the spirit of self-reliance and of making improvements through their own efforts, and should do a good job in carrying out reform. It is essential to gradually form a centralized and unified decision-making system; a competitive system in operation; a system to reward diligent workers and punish lazy workers; and a system to keep cadres and workers within the bounds of discipline. It is essential to continue improving the contract system in which all staff members and workers assume responsibility for the success or failure of the operation. We should also give full play to the role of market regulation.

The meeting called on leading cadres at various levels to be sober-minded, to heighten their spirit, and to strengthen the study of Marxist theory. The meeting pointed out: At present it is essential to make a penetrating study of Comrade Jiang Zemin's speech made at the 70th anniversary of the CPC. We should use scientific world outlook and methodology to analyze the situation, understand problems, and guide various work. It is necessary to think about a problem politically, based on the interests of the whole; to raise the consciousness of implementing the party's basic line and of opposing peaceful evolution; and to have firm confidence in building socialism with Chinese characteristics. We should carry forward the spirit of fighting against floods. Especially at present, we should advocate a realistic spirit of doing things vigorously and rapidly. We should promote the fine style of maintaining close ties with the masses; build an honest government; punish corruption; show concern for and understand the hardships of the masses; and do our best to help the masses solve problems of production and living after the natural disaster.

Sun Jiazeng, Cao Hongming, Cao Keming, Han Peixin, Zhou Ze, Hu Fuming, Gu Hao, Gao Dezheng, Zhang Zhaoxun, Li Zhizong, Xing Bai, Zhang Yaohua, Qin Jie, Ling Qihong, Ji Yunshi, Dai Shunzhi, Luo Yunlai, and Wei Changan attended the meeting.

Also attending the meeting were principal responsible comrades of various city party committees, various provincial departments, and a number of large enterprises.

Enterprises Prosper in Nantong Development Zone

OW1810050391 Beijing XINHUA in English
0255 GMT 18 Oct 91

[Text] Beijing, October 18 (XINHUA)—In the January-August period this year the output value and profits of the enterprises in the Nantong Economic and Technological Development Zone in east China's Jiangsu Province reached 112 million yuan and 13.81 million yuan, respectively.

These figures are a 30 percent increase over 1990.

The enterprises earned 17.95 million U.S. dollars in foreign exchange during the period, an 84 percent increase over the same period of last year, the PEOPLE'S DAILY [RENMIN RIBAO] reported today.

The economic and technological development zone is situated near the Yangtze River, the longest river in the country, giving it convenient transportation facilities.

The zone has been attempting to improve its investment environment and enhancing its efficiency to attract foreign and domestic funds in the past few years.

Thus far, commercial and industrial, taxation, customs and financial departments have all set up offices in the development zone.

In the 10 foreign-funded enterprises set up there last year, foreign funds accounted for 84.8 percent of the total investment, up 51.9 compared with 1989, the paper said.

Suzhou Promotes Cooperation Projects at Fair

OW1710065491 Beijing XINHUA in English
0434 GMT 17 Oct 91

[Text] Guangzhou, October 17 (XINHUA)—Suzhou city in Jiangsu Province has offered 200 projects for co-operation with overseas investors at the 70th session of the Guangzhou Export Commodities Fair which opened Tuesday.

The projects require a total of 600 million U.S. dollars in investment.

Jin Guiding, director of the Suzhou municipal Bureau of Foreign Economic Relations and Trade, announced at the fair that ten percent were projects in the area of raw materials production, 30 percent concerned machine-building, another 30 percent were textiles and light industrial projects and the rest were chemicals and pharmaceutical projects.

Jin said Suzhou has approved the setting up of 948 projects funded by overseas capital so far. The total investment has reached 700 million yuan. The output value of the 237 joint-ventures in operation in the city reached 1.6 billion yuan in the first nine months, the sales volume reached 1.2 billion yuan and the net profits reached 55 million yuan.

The official said that Suzhou's investment environment is ideal; transportation and telecommunications are convenient, supplies of water, electricity and gas are abundant and the city has set up an administrative committee to oversee foreign investment, thus simplifying the formalities.

Jin said that Suzhou is planning to widen the fields of investment and improve the investment structure in a bid to absorb one billion U.S. dollars in overseas investment in the Eighth Five-Year Plan period (1991-1995).

Mao Zhiyong Speaks on Aiding Rural Circulation

HK1710152091 Nanchang Jiangxi People's Radio
Network in Mandarin 1100 GMT 11 Oct 91

[Text] Yesterday, Comrade Mao Zhiyong talked about the question of invigorating circulation in the rural areas at a provincial party committee Standing Committee meeting.

Mao stressed: The transportation and marketing of farm and sideline products within and outside the province needs to be unhindered. Starting now, it is necessary to unblock and speed up transportation, marketing, and circulation of grain, live pigs, poultry, eggs, fruit, tea, aquatic products, and other types of farm and sideline products within and outside the province. No unit or individual is allowed to set up inspection posts to hinder the circulation of the above-mentioned products via land or water routes within or without the province under any pretext or in any form whatsoever. The tax on special and local products produced by peasants must be collected once for all in the original production areas and must not be recollected in the process of their circulation. The live pig quarantine must be conducted once for all in the original production areas and must not be reconducted before its expiry date. All areas and departments must carry out work in a down-to-earth manner by proceeding from the aim of promoting the development of commodity economy in the nearby rural areas and protecting both production enthusiasm and interests of the broad masses of peasants and must help to facilitate production and marketing and enable peasants to increase their production and output. It is also necessary to deal strictly with those that continue to presumptuously set up inspection posts to hinder the circulation of farm and sideline products even after repeated prohibitions.

Shandong Conference Views 'Key Projects'

SK1710064791 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 16 Oct 91

[Excerpt] The provincial work conference on construction of key projects ended in Jinan on 16 October. Provincial leaders Li Chunting, Lu Hong, Sun Shuzhi, and Song Yimin awarded medals and certificates to 59 units advanced in building key projects and to 637 advanced individuals making great contributions to construction of key projects.

Li Chunting, Standing Committee member of the provincial party committee and vice governor of the province, made a speech on the situation in building key

projects and on future tasks. Li Chunting said: Since the founding of the PRC, especially since the third plenary session of the 11th Central Committee, our province has made tremendous achievements in building key projects. The province has invested 86.4 billion yuan in capital construction, has formed 64.1 billion yuan in fixed assets, and has completed 48,100 projects of various kinds. Of this, capital construction investment and the newly added fixed assets during the 12 years since the third plenary session of the 11th Central Committee are respectively 2.7 times and 2.8 times the figures of the previous 30 years. The work load fulfilled in capital construction, the quality of construction, the level of construction technology, and the quantity and quality of building workers are first class throughout the country.

After fully affirming the achievements, Li Chunting stressed: Key project construction is at the front of the major battlefield of economic construction and is pioneering a new area. We must understand the position and role of key project construction from the high plane of opposing peaceful evolution and must enhance the overall point of view and the sense of urgency. In the next 10 years the province's tasks for the construction of key projects will be very arduous. During the Eighth Five-Year Plan, the province's investment in fixed assets is projected at 200 billion yuan, some 50 billion yuan more than the figure during the Seventh Five-Year Plan. This investment will primarily be in agriculture, water conservation projects, energy resources, transport, and major raw materials projects. Except for a dozen of large and medium-sized projects, including the Shandong section of the Beijing-Jiulong, Jinan-Qingdao Highway, Jinan Airport, and the Dezhou Hualu Power Plant, the province will build or expand some 100 projects during the Eighth Five-Year Plan. [passage omitted]

Shanghai People's Congress Committee Meets

OW1710125691 Shanghai People's Radio Network
in Mandarin 2300 GMT 15 Oct 91

[From the "Morning News" program]

[Text] The ninth municipal People's Congress Standing Committee opened its 29th meeting in the Shanghai Exhibition Center yesterday [15 October]. Chairman Ye Gongqi and Vice Chairman Tan Jiazhen presided over the meeting.

Entrusted by the municipal government and on behalf of Sun Jinfu, director of the municipal Civil Affairs Bureau, (Qian Guanlin), deputy director of the bureau expounded on "the Shanghai Municipal Administrative Draft Regulations on Accommodating and Repatriating Transients" which has been submitted by the municipal government to the municipal People's Congress Standing Committee for examination and approval.

Deputy Director (Qian Guanlin) said: Because of new conditions and problems in the work on accommodating and repatriating transients, relevant regulations published by the State Council in 1982 can no longer satisfy

the needs of current practical work. It is necessary to urgently formulate local laws and regulations so that Shanghai Municipality's work on accommodating and repatriating transients will be brought into line with the legal system's framework. Later, the committee members, in separate groups, deliberated the draft regulation.

In the afternoon, entrusted by the municipal government, Jiang Yiren, chairman of the municipal Economic Commission, made a report on invigorating large and medium-sized enterprises.

In his report, Jiang Yiren proposed new lines of thinking in four aspects: First, for those large and medium-sized state enterprises that affect the national economy and the people's livelihood, and that largely satisfy domestic demand, we should experiment with reform mainly by changing mechanisms and relaxing their management. Second, for those large and medium-sized state enterprises that are mainly export-oriented and that are mainly importing technology, we should expeditiously strengthen their vitality by opening up and establishing three types of foreign-funded enterprises. Third, we should gradually invigorate most large and medium-sized state enterprises by continually perfecting the contract management responsibility system. Fourth, for some large and medium-sized state enterprises whose products are not salable, that have no stamina for development, and that have been making a loss for a long time, we should be determined to close, suspend, merge, or transfer their operation.

Central-South Region

Guangdong People's Congress Work Meeting Ends

HK1810075291 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 12 Oct 91

[Text] A four-day work meeting of the provincial people's congress closed today. At the meeting this morning, Lin Ruo, chairman of the provincial People's Congress Standing Committee, delivered a speech on strengthening and improving the work of people's congresses at all levels throughout Guangdong.

Lin Ruo urged people's congresses at all levels across Guangdong to give play vigorously to their functions and roles according to the law, under the prerequisite of conscientiously upholding and relying on the party's leadership. At present, special efforts should be made to strengthen both supervision over legal practices and supervision over government work. In supervising legal practices, we should adopt a correct attitude toward the complaints of the masses, and instruct relevant departments to handle any illegal activities correctly and strictly in order to safeguard the legal rights of the masses and the sanctity of the law. Regarding supervision over government work, people's congresses at all levels should strengthen their supervision over the government on issues of common concern to the masses, as well as issues which have a great bearing on the overall situation, on

Guangdong's reform and opening up, on socialist modernization, and on the building of socialist democratic and legal systems.

In our current efforts to strengthen supervision, we should pay special attention to issues including the national economic and social development program, the implementation of the budget, family planning, the building of a clean administration, afforestation, and primary and secondary education.

New Method Used To Invigorate State Enterprises

HK1810074591 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0615 GMT 9 Oct 91

[Text] Shenzhen, 9 Oct (ZHONGGUO TONGXUN SHE)—An informed person from the Shenzhen Government disclosed that recently the city government changed the state-run Radio Industry and Trade Company into a "special factory" to carry out trial work in comprehensive reform aimed at strengthening the vigor among state-run enterprises.

According to the information, the first step of the trial work is to enable enterprises to have the right of self-determination in operation, to reform the property rights system and management organs, and to really implement the policy of invigorating state-run enterprises. The second step is to explore the socialist systems of property rights, operation, labor, and distribution which have Chinese characteristics. The third step is to embark upon the road of conglomeration and internationalization.

According to the informed person, the "exceptional principle" was practiced for the first time by the experimental point, that is, if the reform contradicts the current management mechanism, it will be allowed to handle things according to the exceptional principle to let the trial work proceed efficiently.

Development Project Said To Lack Central Backing

HK1810062491 Hong Kong THE STANDARD in English 18 Oct 91 p D-5

[By Alan Nip]

[Text] Authorities in Zhuhai are determined to carry on with a multi-billion dollar development, despite lack of support from the central government.

The plan to turn the city's virgin western district into a comprehensive industrial area is vital for Zhuhai's continued development, local officials said.

Liang Guangzhong, of the Communist Party Propaganda Department in Zhuhai, said local authorities regarded the plan as a top priority.

However, Mr Liang declined to comment on reports that the development plan had failed to get blessing from the Central Government in Beijing.

He indicated local party and government officials in Zhuhai were firm in launching the project.

In December 1988, Zhuhai announced the founding of the Sanzao Administrative District in the western part of the city.

The area, also called the western district, covers some 570 square kilometres and has a population of more 50,000.

It is to be developed into an energy, industrial and raw material base and transport hub in Zhuhai with a deep water harbour.

Preferential policies and major tax concessions are on offer to foreign and domestic investors in the district.

However, reports say the programme has hit a snag for failing to follow standard procedure that requires its registration with Beijing.

Chinese sources said it was neither included in the national Eighth Five-Year Plan (1991-1995) or in the 10-year development programme.

Large-scale projects in localities must get approval from the central government and very often they are included in national development plans as China sticks to a central-controlled economy.

Without Beijing's approval the plan will inevitably face difficulties in securing foreign investment and loans from foreign governments and international financial institutions.

Zhuhai officials refused to speculate if the programme would be delayed or ruled out by bureaucrats in Beijing as the country still stressed austerity measures.

Instead, reporters were handed booklets detailing the development plan.

"Developing the west district is a strategic measure to ensure Zhuhai's long-term prosperity," an article in the booklet said.

"It will not only produce far-reaching impacts on the SEZ [Special Economic Zone] but play an indispensable role in revitalising and developing the economy in southern China."

The government was about to launch full-scale construction of the Gaolan Port, the major component of the development programme, the booklets added.

The project would be completed in five years, Zhuhai officials said.

In addition to the port, an existing airport built by the Japanese during World War II will be repaired and renovated.

Railways and highways will be extended to connect the Gaolan Port to the inland.

Industries in the district will focus on energy, building materials, oil refinery, plastic, sugar, paper and textiles.

The programme also features the development of several holiday resorts in the area.

'Financial Difficulties' Reported

HK1810055791 Hong Kong THE STANDARD
in English 18 Oct 91 p D-5

[By Alan Nip]

[Text] The Gaolan Port development project in Zhuhai, which had been scheduled to start this year, may be delayed due to financial difficulties, local authorities have said.

The port has been earmarked to be developed into a deep-water harbour, and is regarded as the launching pad for Zhuhai's economic take-off.

A Zhuhai official, Deng Lang, said the initial phase of the massive undertaking—the construction of two berths able to hold 20,000 tons—could be delayed because of financial constraints.

Mr Deng said the Guangdong government had not yet decided on the financial allocation for the project which was included in the province's Eighth Five-Year Plan (1991-1995).

The port project is the crucial part of a multi-billion-dollar development programme which the authorities hope would put Zhuhai at the forefront of China's economic prosperity.

Zhuhai unveiled the development plan at the end of 1988 despite the austerity measures announced by Beijing to curb runaway inflation.

The berths could be completed by 1993 if construction work started before the end of the year, Mr Deng said.

"But now, it all depends on how much funds and investment we can get hold of."

Authorities have estimated the total cost of the port development to be between \$25 billion and \$33 billion.

Mr Deng said that in addition to government funds, substantial foreign investment was needed for the project to get off the ground.

However, responses from prospective investors were less than encouraging, he said, adding that this was due to the lack of infrastructure facilities in Zhuhai.

Despite its economic progress, Zhuhai still does not have a railway.

Mr Deng doubted that a train service to Gaolan Port could be started before 1995.

"But if Zhuhai could raise enough resources by itself, Beijing will grant the permission to start building the railway," Mr Deng said.

With an enclosed sea area of 85 square kilometres, the port site boasts a coast line of 40 kilometres. Once completed, the port would be able to accommodate tankers with a 100,000 tonnage capacity.

Annual goods handling capacity would be increased from 30 million up to a 100 million tonnage, Zhuhai officials said.

Gaolan Port is 23 nautical miles from Macao and 55 from Hong Kong.

Guangdong Fulfills Part of Industrial Target

HK1810075391 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 12 Oct 91

[Text] From January to September this year, Guangdong fulfilled an accumulative gross industrial output value of 147.109 billion yuan, accounting for 83 percent of its annual targets and up by 27.3 percent on the same period last year. Some 45.7 percent of the gross industrial output value fulfilled was from more than 1,000 large and medium enterprises from the more than 30,000 industrial enterprises throughout Guangdong. It can thus be seen that large and medium industrial enterprises continue to play a leading role in Guangdong's industrial and economic development.

Xiong Qingquan, Chen Bangzhou Attend 1911 Rally

HK1810091791 Changsha Hunan People's Radio Network in Mandarin 2300 GMT 10 Oct 91

[Excerpts] Yesterday morning [10 October], more than 1,000 people from all walks of life in Changsha, capital of the province, held a grand meeting to mark the 80th anniversary of the 1911 revolution.

Provincial party, government, and military leaders Xiong Qingquan, Chen Bangzhou, Liu Fusheng, Liu Zheng, et al attended. [passage omitted]

On behalf of the provincial party committee, government, Chinese People's Political Consultative Conference [CPPCC], and people of all walks of life in Hunan, Liu Zheng, chairman of the provincial CPPCC, gave a speech at the rally.

He first expressed heartfelt remembrances of and the highest respect for Mr. Sun Yat-sen, a great democratic revolutionary forerunner, and other high-minded revolutionaries who fought heroically and laid down their lives in the Chinese democratic revolution.

He said: The 1911 revolution was a great bourgeois democratic revolution in modern Chinese history. The revolution overthrew the reactionary and corrupt government of the Qing Dynasty, which was supported by imperialist powers, and set up a republic, putting an end to the feudal autocratic monarchy, which had ruled over

China for over 2,000 years and freeing the Chinese people mentally to a great extent. Hunan, being one of the cradles of the revolution, played an important role in the revolution. Huang Xing set up the Huaxing Hui, the best revolutionary body in China, in Hunan in 1903.

Comrade Liu Zheng talked about the positive and negative experiences offered by the 1911 revolution and its many inspirations. He said: Facts over the last 80 years have proved:

1. The CPC has carried forward and developed the 1911 revolution. Only under party leadership did the Chinese people finally accomplish the task of the democratic revolution and embark on the broad road of socialism.

2. Only by truly relying upon the masses and uniting with all the forces that can be united to build the broadest possible patriotic united front, can we win a victory in the revolution and construction.

3. A unified country and unity among the people are common aspirations of the people of all nationalities throughout the country and constitute an important guarantee for the Chinese nation in gaining a foothold among the galaxy of the world's nations.

4. The patriotism displayed by the Chinese people is a powerful force for defending national dignity, safeguarding national independence, and promoting social progress and prosperity.

Comrade Liu Zheng finally pointed out: We hold this grand rally to mark the 80th anniversary of the 1911 revolution for the express purpose of learning from and carrying forward the revolutionary spirit of revolutionary forerunners who fought heroically and made selfless contributions in the 1911 revolution and in the 100-odd years of struggle for the liberation of the Chinese people. We must strengthen the CPC and democratic parties politically and organizationally, strengthen the people's political power, build a clean and honest government, and serve the people wholeheartedly. We must forge ahead along the road of socialism with Chinese characteristics.

Xu Junhu, vice chairman of the provincial CPPCC and honorary director of the Revolutionary Committee of the Chinese Kuomintang Hunan branch, also made a speech on behalf of democratic parties and people of all walks of life in the province. He hoped the Taiwan authorities would carry out Mr. Sun Yat-sen's wishes, believe in the great cause of reunification of the motherland, go with the tide of historical development, forget previous ill will, and take practical measures to promote reunification of the motherland. He said: I hope all the people in Taiwan, including all political parties and people in all circles, as well as compatriots residing in Hong Kong and Macao and Overseas Chinese, will make concerted efforts and positive contributions to peaceful reunification of the motherland, rejuvenating the Chinese nation, and bringing benefit to future generations.

After the meeting, provincial party and government leaders Xiong Qingquan, Chen Bangzhu, and others met with representatives of families of martyrs of the 1911 revolution in a cordial atmosphere.

Chen Bangzhu Views Enterprises

*HK1710152291 Changsha Hunan People's Radio
Network in Mandarin 2300 GMT 11 Oct 91*

[Text] Chen Bangzhu, provincial deputy party secretary and governor, emphasized at a work conference of the provincial party committee yesterday [11 October] that with a strong sense of historical responsibility and urgency, the entire province should regard it as a prominent issue to make a success in running state-owned large and medium enterprises.

Comrade Chen Bangzhu pointed out: At present, many problems and difficulties still exist in state-run large and medium enterprises, which are mainly manifested in some enterprises that are suffering serious losses, heavy burdens, and lack of potential force for future development. From a high plane of guarding against peaceful evolution, and consolidating and developing the socialist system, leaders of various departments at all levels should obtain a correct understanding of the importance and urgency of running such enterprises well. They should concentrate all forces to grasp this issue well, to enable state-run large and medium enterprises center on structural readjustment and enhancement of economic efficiency. The entire party, society, and the vast numbers of workers and staff members of all enterprises should get prepared for a rigid life, overcome various phenomena of extravagancy, and wholeheartedly support and assist the growth of state-run large and medium enterprises.

Comrade Chen Bangzhu indicated: To reinvigorate Hunan's large and medium enterprises, the most important task for us now is to grasp the implementation of various existing policies and measures. The following tasks should be fulfilled: It is necessary to carry out the law of enterprises continuously and grant autonomy to enterprises in a down-to-earth way. Special efforts should be made for the implementation of the autonomous rights granted to enterprises in the fields of personnel, labor power employment, distribution, and investment. Governments and departments at all levels should render more services and interfere less in enterprises' affairs. It is imperative to perfect the contracted system persistently and select a number of enterprises and enterprise groups as experimental units for carrying out input-output supply system. The operational mechanism of township and town enterprises should be introduced in town-level state-run enterprises. It is also necessary to intensify technical transformation. The provincial party committee and government have decided to regard technical transformation as a key strategic task in Hunan's economic development during the entire Eighth Five-Year Plan and even for the entire decade. In the several years to come, Hunan will spend 3-4 billion yuan in technical transformation. Earnest

efforts should be made to break debt chains and to restrict and reduce the production of overstocked unmarketable products. It is necessary to close, suspend, merge, and shift the production of enterprises which have incurred heavy losses and have had no hope for improvement. Additional efforts should be made to reactivate circulation, and vigorously carry out associated operations between industrial and commercial units, industrial and trade units, and production and trade units. All localities should resolutely remove various obstacles in the circulation field. Taxation should be reinforced, and problems such as arbitrary imposition of various taxes should be resolved, so as to lighten the social burdens of enterprises. It is necessary to improve the internal leading system of enterprises constantly and strengthen the building of leading groups. The party organizations' role as political cores should be brought into full play. The system under which the factory director assumes full responsibility should continue to be carried out and perfected. We should wholeheartedly rely on the working class, and cultivate a good contingent of workers and staff members. To deepen the internal reform of enterprises, we should focus our efforts on solving problems such as "everybody eating from the same big pot" and "iron rice bowl." The internal management of enterprises should be intensified. With an aim to enhancing the economic efficiency of enterprises, we should firmly grasp various basic and professional management systems.

Comrade Chen Bangzhu also pointed out: From a long-term point of view, if we are to run state-run large and medium enterprises well, we should take the road of reform, and devote our efforts on the transformation of operational mechanisms. All enterprises should gradually give shape to the following five mechanisms: 1) a flexible mechanism which can make rapid responses to changes in the market; 2) an incisive [xi li] mechanism in distribution; 3) a competitive mechanism in personnel and labor power employment; 4) a development mechanism of self-accumulation and enhancement; and 5) a self-restrictive mechanism which assumes full responsibility for its own profits and losses. With the five mechanisms, enterprises will be able to really become producers of, and dealers in, commodities in our socialist society.

In his speech, Comrade Chen Bangzhu also made arrangements for various preparation work concerning next year's industrial production.

Southwest Region

Liu Zhengwei on Regional Economic, Political Ties

*HK1810031391 Guiyang Guizhou People's Radio
Network in Mandarin 2300 GMT 10 Oct 91*

[Text] Yesterday [10 October], responsible members of party committees directly under Sichuan, Yunnan, Guangxi, Xizang, and Guizhou provincial or regional

CPC Committees and under Chengdu, Chongqing, Kunming, Nanning, Guilin, Lhasa, and Guiyang city CPC Committees met in Guiyang to exchange experiences in party building and to explore ways to advance party building under the new situation.

When meeting with representatives at the meeting, Liu Zhengwei, provincial party committee secretary, and Deputy Secretary Long Zhiyi said: Five provinces and autonomous regions and seven cities in southwestern China have established horizontal ties which have proved fruitful in many forms, and carried out economic and technological cooperation in recent years. Apart from the economic, technological, and cultural fields, such ties and cooperation can now be found in the political field. This will promote economic development and political stability in southwest China. Provinces, regions, and cities in southwest China, and other provinces, regions, and cities have gained new experiences in strengthening party building in various organs. Our cadres responsible for work relating to party organization must learn from these advanced experiences with an open mind and effectively organize cadres and the masses to study Marxist theories, raise their theoretical level and political standards, and increase their faith in socialism to build party organizations in various organs into strong, fighting fortresses against peaceful evolution.

Addresses 1911 Revolution Rally

HK1710145891 Guiyang Guizhou People's Radio
Network in Mandarin 2300 GMT 10 Oct 91

[Text] The provincial authorities held a grand rally to mark the 80th anniversary of the 1911 revolution at the Great Hall of the Guizhou Government yesterday afternoon [10 October].

The meeting was presided over by Miao Chunting, chairman of the provincial Chinese People's Political Consultative Conference and director of the Guizhou Preparatory Committee for Marking the 80th Anniversary of the 1911 Revolution.

Liu Zhengwei, provincial party committee secretary, made an important speech at the rally. He said: On 10 October 1911, the Tongmeng Hui, a political party of the capitalist class headed by Mr. Sun Yat-sen, led the 1911 revolution and succeeded in overthrowing the autocracy of the Qing Dynasty, putting an end to the feudal autocratic monarchy, which had ruled over China for more than 2,000 years, dealing a heavy blow against the invading imperialist forces in China. The revolution hoisted the banner of building a democratic republic on Chinese soil, giving rise to a national awakening and the demands of the Chinese people to a great extent. Inspired by the tide of the 1911 revolution, the (Zizhi) Society, the biggest mass organization at that time, under the guidance of the revolutionary (Zhang Bailin) and his comrades, organized an uprising on 4 November 1911. They proclaimed the independence of Guizhou and set up the Guizhou military government, bringing to an end the Qing Dynasty's rule over Guizhou, writing a brilliant chapter in Guizhou's modern history. The revolutionary

forerunners, one stepping into the breach as another fell, displayed dauntless heroism in the revolution. They can be rated as fine models of the Chinese nation and are worth learning from forever.

The lesson of the 1911 revolution, which failed in the end, proved that the program for building up a capitalist republic, namely, taking the capitalist road, did not work in China. The Chinese revolution needed the guidance provided by a political party of an advanced class, a party armed with advanced ideology. Carrying forward the spirit of the 1911 revolution, the CPC thoroughly accomplished the task of the democratic revolution and developed it into the socialist revolution. History has adequately shown that China must take the socialist road by way of the democratic revolution. This is the Chinese people's inevitable choice and also an inevitable result of the development of Chinese modern history. Socialism is the road Chinese history must follow. Only socialism can save China.

Liu Zhengwei recalled the epoch-making changes which have taken place in Guizhou and other parts of the country in the 42 years since the founding of New China. He pointed out: Mr. Sun Yat-sen bent his back to the task of rejuvenating the Chinese nation until his dying day. To mark the 1911 revolution, we must carry forward the patriotism, national self-respect and self-confidence displayed by Mr. Sun Yat-sen, who fought to his last breath and made unremitting efforts to rejuvenate the country, and work hard for attaining the second-step strategic goal of the socialist modernization construction and for revitalizing the Chinese nation. The 1990's constitute a crucial period for us. Confronted with the complicated and ever-changing international situation, the most important thing is to do our work well and make concentrated efforts to effect an upswing in economic construction. The party and league members, all members of democratic parties, and patriotic personages of all walks of life, the broad masses of cadres, and the masses of all nationalities throughout the province must enhance their sense of historical responsibility and sense of urgency of the times, as well as their lofty ideals in attaining the second-step strategic goal, and work hard to carry through the Eighth Five-Year Plan and 10-Year Development Program so that they will usher in the 21st century with their heads held high. In this process there is all the more need to carry forward the fine patriotic tradition of the Chinese nation and to conduct education in patriotism among the people and future generations so that they will increase their confidence in socialism and thwart the attempt of imperialists and other hostile forces at home and abroad to effect peaceful evolution in China. We must foster national self-determination and self-confidence, display indomitable spirit, work as one, and contribute our wisdom and strength to building a powerful and prosperous China and rejuvenating Guizhou.

Liu Zhengwei continued: In the course of attaining the second-step strategic goal of socialist modernization construction, we must give full play to the patriotic united front

and the system of multi-party cooperation and political consultation under CPC leadership. The united front and the system of multi-party cooperation are our advantages and magic weapons for getting through difficulties and conquering the enemy. We must consolidate, develop, and improve them. We must also step up the process leading to the reunification of the motherland. A unified China is Mr. Sun Yat-sen's unfulfilled wish and also a common wish of all Chinese people who cherish a profound love for the motherland. With the development in the situation, the task of realizing the reunification of the motherland as early as possible has been placed before the Chinese people in a more prominent position. On the occasion marking the 80th anniversary of the 1911 revolution, I, on behalf of the provincial party committee and government and 32 million people of all nationalities in Guizhou, warmly welcome Taiwan compatriots to Guizhou for sight-seeing, and extend sincere regards to Taiwan compatriots in Guizhou and their relatives. We must do well our work relating to Taiwan following the principles of peaceful reunification and one country, two systems and make due contributions to the reunification of the motherland.

Provincial leaders present at the rally were Su Gang, Long Zhiyi, (Xing Huanjuan), (Wang Siming), (He Renzhong), Luo Dengyi, Luo Shangcai, et al.

Yang Rudai Marks 1911 Revolution in Sichuan

HK1810075191 Chengdu Sichuan People's Radio
Network in Mandarin 2300 GMT 10 Oct 91

[Excerpt] The provincial government held a grand rally yesterday to mark the 80th anniversary of the 1911 revolution. Provincial party, government, and military leaders; responsible members of democratic parties; and representatives from all walks of life, totaling 1,500 people, attended the meeting.

Yang Rudai, provincial party committee secretary, addressed the rally. He said: Mr. Sun Yat-sen, leader and organizer of the 1911 revolution, performed immortal feats in promoting social progress in China, setting up a giant monument in the annals of the Chinese revolution which hundreds of millions of people hold in deep respect. The CPC led the Chinese people in accomplishing the great task of the national-democratic revolution for which Mr. Sun Yat-sen gave his life, after waging several decades of hard and bitter struggle, and in pushing the revolution forward along the broad road of socialism. We must carry forward the spirit of revolutionary forerunners and work hard for faster reform and construction in Sichuan, rejuvenating the Chinese nation, achieving the four modernizations, and peaceful reunification of the motherland.

Yang Rudai emphasized the following four points.

1. We must increase our faith that building socialism under CPC leadership is the only way out for China.
2. We must inspire patriotic and socialist enthusiasm, persist in making economic construction the core of our

work, deepen reform, open more widely to the outside world, and constantly promote the socialist modernization construction.

3. We shall carry out an extensive socialist education and hold fast to and expand the socialist ideological and cultural position.

4. We should work hard to build the broadest possible patriotic united front and for reunification of the motherland. [passage omitted]

North Region

Chen Xitong Attends Opening of High School

OW1710113491 Beijing Central Television Program
One Network in Mandarin 1400 GMT 16 Oct 91

[From the "Night News" program]

[Text] The (Jinlun) High School in Beijing, which was built with more than 20 million yuan renminbi donated by Mr. (Chen Jinlun), a well-known patriotic man from Hong Kong, was recently completed and put into use. A ceremony was held this morning to mark the completion of the high school. Beijing Mayor Chen Xitong and Mr. and Mrs. Chen Jinlun attended the ceremony. [Video shows Chen Xitong standing with others in a line at the ceremony, followed by a shot showing Chen Xitong and (Chen Jinlun) cutting ribbon]

Beginning in 1989, Mr. (Chen Jinlun) donated funds to rebuild the old school buildings and to build a new building for general purposes, four buildings for teaching use, two dormitory buildings, an auditorium, an indoor swimming pool, a gymnasium, a cafeteria, and a school-run factory, totalling 15,000 square meters in floor space. The school's facilities include a physics, chemical, and biological laboratory, a film-screening room, a language teaching classroom, a computer room, an athletic field with 400-meter standard running tracks, and other modern teaching facilities.

Project To Harness Beijing Rivers Planned

HK1710052491 Beijing CHINA DAILY in English
17 Oct 91 p 3

[By staff reporter Hong Xia]

[Text] Beijing will launch a large-scale campaign to harness its rivers during the coming winter and spring months.

The campaign, according to municipal government officials, aims to guarantee a stable water supply for industrial and agricultural production and daily life, reduce the threat of flooding and further improve the current river and lake situation.

Recent floods in the city's suburban areas urged the municipal government to initiate a massive programme across the city to harness the rivers.

The main project is to harness Liangshui River for which a commanding headquarters has been set up, with Vice-Mayor Huang Chao as the commander.

Both urban and rural residents will be motivated this winter and spring to dredge and open up the waterways in the 68-kilometre-long river which runs through five districts and counties. Nearly 10 million cubic metres of earth and stone need to be removed in the project.

The building construction and afforestation along the river will be completed in the next two years.

In order to comprehensively improve capability to divert flooding, ten other rivers in nine counties and districts throughout the capital will also be harnessed at the same time.

The second battlefield of the campaign lies in the harnessing of the 8.5-kilometre-long South City Moat. One floodgate is to be renovated and two new rubber dams to be erected. The project is expected to complete by the end of next year.

And the third one is to harness and open up the 111-kilometre-long Chaobai River that runs through the east part of the city, the second largest in the capital linking with Miyun Reservoir in the north, to ensure free flood diversion during next year's flood season.

Northeast Region

Jilin Party Work Conference Held 12-14 Oct

SK1510134091 Changchun Jilin People's Radio
Network in Mandarin 2200 GMT 14 Oct 91

[Text] The Jilin provincial CPC Committee held its work conference in Changchun from 12 to 14 October. Major items on the agenda of the conference were to implement thoroughly the guidelines of the central work conference and to discuss, study, and arrange ways to invigorate large and medium-sized state enterprises. The conference urged all localities, departments, and the vast number of staff members and workers to take the guidelines of the central work conference as indicators and, in line with their actual conditions, uplift their spirits, overcome difficulties, deepen reform, improve and support themselves, invigorate large and medium-sized state enterprises, raise economic efficiency, achieve success in various fields of work, and promote the province's endeavor to build the two civilizations.

He Zhukang, secretary of the Jilin provincial CPC Committee, presided over the conference and gave a summing-up speech. Wang Zhongyu, deputy secretary of the Jilin provincial CPC Committee and provincial governor, gave a speech on behalf of the Standing Committee of the provincial party committee, entitled "Make Large and Medium-Sized State Enterprises More Successful and Facilitate Sustained, Stable, and Coordinated Development in the National Economy."

Participants at the conference held: Since the beginning of this year, all localities throughout the province, under the leadership of the Central Committee and the State Council, have conscientiously implemented the guidelines of the seventh plenary session of the 13th Central Committee, the Fourth Session of the Seventh National People's Congress, and the sixth and seventh plenary sessions of the provincial party committee; persistently taken economic construction as the central task; regarded the endeavors to achieve fundamental improvement in the industrial economy and to strengthen the fundamental position of agriculture as the focus; deepened reform; opened wider to the outside world; and accelerated the development of the socialist commodity economy, thus develop the entire economic situation continuously in a good direction. Meanwhile, we should remain clear-headed to note that problems in current economic activities remain numerous and the situation remains grim. Despite the efforts of various fields to invigorate large and medium-sized state enterprises and despite some achievements in this, these enterprises have yet to solve once and for all their problems of a lack of vigor, low efficiency, and inadequate strength for sustained development. In view of this, departments at all levels throughout the province should enhance their sense of responsibility and mission, consider a success in invigorating large and medium-sized state enterprises a major task in our province's economic work, and make conscientious efforts to carry it out successfully. Although large and medium-sized state enterprises account for less than three percent of the total industrial enterprises of our province, they constitute an important pillar of our province's economy and a major source of its revenue and represent an important accumulation of several decades of socialist construction and an important base on which to develop and advance in the future. They play a decisive role in the development of the national economy. Without the improvement and development of large and medium-sized state enterprises, it will become an empty word to develop the economy and accelerate the modernization program. Success in invigorating large and medium-sized state enterprises will effectively help deepen China's structural reform, resolve a series of deep-seated contradictions in the economic structure and economic operation, and lay a solid foundation for sustained, stable, and coordinated development of the national economy.

Participants at the conference pointed out: To achieve success in invigorating large and medium-sized state enterprises, the key lies in deepening reform and improving the enterprises. Accelerating the change in the management mechanism of enterprises is one of the key links in invigorating enterprises and also an important task of the endeavor to deepen reform. In providing external conditions for enterprises to change the management mechanism, we should make continuous efforts to bring into better balance the relationship between government functions and business management, simplify administration and delegate power to lower levels in line with the principle of separating government functions from business management, resolutely enforce the enterprise law, and delegate to enterprises the power related to production plans, product prices, labor, and wages. Government departments should streamline

their organs, change their functions, and raise their efficiency. Enterprises should change their idea of reliance, take the initiative in gearing their production to the demand of the market and consumers, and enhance their functions of independent management and self development. We should act in line with the principle of combining the planned economy with the market regulation and successfully combine and unify the strong points of these two. We should further emancipate our minds and deepen reform of the planning system to enable enterprises to carry out production and management under the guidance of state plans and in line with market demand. In providing internal conditions for enterprises to change the management mechanism, we should improve the contracted managerial responsibility system to make enterprises assume full responsibility for the increased value of state assets and for the delivery of profits to higher authorities. Based on this, we should establish a mechanism for enterprises to be responsible for their own profits and losses so as to inspire their vigor.

We should enliven the employment system. When building new enterprises and workshops, we should make them practical and modern at the very beginning and should never make concessions or give special consideration to those that are backward. Regarding the enterprises already built, we should gradually adopt the system whereby all members are managed under contract and continue efforts to optimize the organization of labor. We should enliven distribution, adhere to the principle of distribution according to work, and resolutely overcome egalitarianism so that distribution will be truly linked to contributions and more work will receive more pay.

In enterprise distribution, we must widen the payment difference to make distribution tilt favorably to workers on the forefront and to scientific and technical personnel. We should also link payment to skills, intensity, environment, and labor quality as well as to scientific and technological achievements. We should open wider to the outside world. We should have strategic insight and open to the localities both outside the country and province. We should do more to emancipate our minds and broaden our thinking, make our methods more flexible, and carry out work in a more down-to-earth manner to actively attract trained personnel, technology, and funds from outside the province and country. We should do more to accelerate our province's economic development through outside intellectual and financial resources.

To promote conscientiously and effectively the technological progress of enterprises, we should give close attention to and make a success of technical transformation and upgrade the technological level of enterprises. During the Eighth and even the Ninth Five-Year Plans, we should regard the technical transformation of enterprises as an important task and concentrate efforts to make it successful. We should do a good job in the planning of industries and the appraisals of projects, attach importance to the development and dissemination of high and new technology, persist in a high starting level when carrying out technical transformation, turn

advanced and applicable scientific and technological achievements into productive forces, and never develop duplicate projects at a low level. This should become an important principle for screening and approving technical transformation projects. We should coordinate technical transformation with the endeavor to tackle key scientific research difficulties and with technology imports. We should collect technical transformation funds from various channels. Funds represent the most important problem restricting technical transformation. Enterprises should use most of the retained profits in developing production and technical transformation. Financial departments at all levels should make active efforts to implement the policy of letting out water to raise fish. We may also adopt such measures as issuing bonds and attracting foreign capital to raise technical transformation funds. We must muster financial and material resources to ensure that the key technical transformation projects for the Eighth Five-Year Plan are completed and commissioned and yield returns at an early date.

Participants at the conference pointed out: We should achieve substantial progress in adjusting the structure. The earlier the structure is adjusted, the earlier we will gain initiative. If no adjustment is made, we will become more passive. We should be determined to make the adjustment to rationalize the industrial composition, product mix, and enterprise structure more rapidly. We should pay attention and closely coordinate the adjustment of industrial composition and product mix with the endeavors to accelerate technical transformation and capital construction. We should give particular attention to the key construction projects for the Eighth Five-Year Plan. We should optimize the organization's essential elements of production. We should reorganize and technically transform enterprises simultaneously when focusing on intensive management and rational disposition of the essential elements for production. We should classify budgetary large and medium-sized enterprises into three categories for rectification. We should be determined to close down, suspend the production of, merge, and change the production lines of the enterprises which have no good development prospects. We should resolutely close down or suspend the production of enterprises that deserve such measures and never let them drag on to consume our materials. Meanwhile, we should expedite the establishment and improvement of the social security system to provide the necessary guarantees to the enterprises closed down or suspended. We should actively encourage enterprises to update and upgrade their products. We should give play to the role of scientific and technical personnel in developing new products continuously. We should link the reduction of stockpiled goods to the issuance of loans, stop producing stockpiled goods, and reduce the irrational stockpiles of goods. We should enhance the sense of marketing, stabilize the policies for marketing, and strengthen the sales of products.

Participants at the conference also pointed out: We should invigorate enterprises and raise their efficiency

by strengthening their management. We should place the improvement of economic efficiency above everything else. Strengthening management is the most effective, feasible, and realistic method to raise efficiency and invigorate enterprises. A basic measure for making large and medium-sized enterprises successful is to strengthen management and run enterprises strictly. We should enable enterprises to conscientiously embrace the idea of increasing their vigor, raising their efficiency, and upgrading themselves through improved management. We should also focus their efforts on improving their own skills. Starting with the rectification of labor discipline, we should provide favorable conditions for enterprises to strengthen management in all fields.

Party and government leaders at all levels should go deep into enterprises to conduct investigations and study and help them discover the loopholes and improve the weak links in management. Enterprises should attach importance to and make a success of basic management and, taking it as a starting point, conduct continuous explorations of new measures to modernize the organizations, methods and means of management. They should then manage enterprises more effectively and organize their production and business in a scientific way. We should conscientiously implement the policies for invigorating large and medium-sized state enterprises.

Beginning next year, we should raise the depreciation rate of the 100 selected key enterprises to be technically transformed. We should fully retain and replenish the circulating funds of enterprises. The method for enterprises to set aside one to three percent of their sales volume as funds for developing new products will remain unchanged but corresponding encouraging policies should be provided. Enterprises where workers' wages and bonuses are affected to a rather large extent due to retention of funds for developing new products and replenishment of circulating funds may adjust the proportion of their after-tax profits to be retained for their own use and their loans will not be affected if they incur deficits because of this. We should focus on and make a success of work concerning the people. We should fully develop the political advantages and achieve success in work concerning the people to boost their enthusiasm fully. First, we should successfully build the leading bodies of enterprises. The most important work for this is to select their directors and party secretaries well. Small and medium-sized enterprises, where conditions permit, may also assign the same person to serve as both director and party secretary. Enterprise leading bodies should be relatively stable. Second, we should specify, systematize, and standardize in the process of practice the functions of party, government, industrial, and commercial departments and enterprises. Third, we should strengthen the ideological and political work aimed at cultivating the spirit of enterprises and give full play to the role of staff members and workers as masters

in enterprise management. We should strive to lighten the burdens on enterprises. We should give particular attention now to resolutely correcting the unhealthy trends in some trades and checking arbitrary collection of donations, fares, and fines. We should take drastic measures to eliminate the sources of these problems as we have done in clearing debt defaults. The power to screen and approve the collection of fares, fines and donations should be centralized without exception by governments at the central and provincial levels. In short, various measures should be adopted and all levels should make concerted efforts to achieve success in lightening the burden on enterprises.

Participants at the conference emphasized: We should strive to raise the leadership level and work in various fields in a down-to-earth manner. Leading cadres at all levels should enhance their sense of mission, responsibility, and urgency; study hard; and improve their leadership level continuously. They should have the spirit to carry out solid work and have the courage to proceed realistically in doing current work and arranging next year's work successfully. They should conscientiously shoulder their leadership responsibility and make their work successful. They should raise their theoretical and policy levels; correctly handle the relationship between politics and the economy, between democracy and centralism, and between affirming achievements and facing up to problems; become sober-minded Marxists; and guard against lopsidedness. They should uphold party spirit and principles, enhance their sense of discipline, and continue the struggle against corruption. They should strengthen unity, become more active in doing work, fully mobilize and rely on the masses, and carry out their work in various fields with the spirit of rectification. They should adopt an active attitude to face challenges and do their work in a creative manner.

In conclusion, the participants urged: Party organizations and governments at all levels throughout the province should raise their spirit, unify their thinking, coordinate their steps, advance in unison, invigorate and make a success of the large and medium-sized enterprises of our province through unremitting efforts, achieve success in the work in various fields of the province, and strive to fulfill this year's goals.

Attending the conference were Comrades Zhang Fengqi, Huo Mingguang, Liu Yunzhao, Du Qinglin, Gu Changchun, Zhang Dejiang, Xiao Chun, Li Deming, Gao Yan, Feng Ximing, Ren Junjie, Zhou Zaikang, Cui Lin, and Wang Yunkun. Also attending were the president of the provincial court; the chief procurator of the provincial Procuratorate; party secretaries, heads, and commissioners of cities, prefectures, and the autonomous prefecture; the party secretary and the director the Qianfu Administrative Area; and principal responsible persons of the relevant departments and commissions of the provincial party committee and the relevant departments directly under the province.

Further Reaction to Independence Motion Reported

Chairman Said To Meet Zou Jiahua

OW1710130891 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 16 Oct 91

[Text] According to sources from Japan, all indications show that the newly elected chairman of the Democratic Progressive Party [DPP], Hsu Hsin-liang, who is keeping his present whereabouts a secret, paid a sudden visit to Japan to meet Vice Premier Tsou Chia-hua [Zou Jiahua] of Communist China's State Council, who is currently visiting Japan. Hsu is to give a detailed explanation to Communist China on the inclusion of clauses concerning the Republic of Taiwan into the program of the DPP.

According to a report in LIEN HO PAO, Hsu Hsin-liang boarded a plane in a hurry on 14 October. Meanwhile, Tsou Chia-hua arrived in Japan for a visit on the same day. Tsou Chia-hua's visit to Japan, which lasts only four days, coincides with Hsu Hsin-liang's.

Judicial Chief Opposes Plebiscite

OW1810085991 Taipei CNA in English 0759 GMT 18 Oct 91

[Text] Taipei, Oct. 18 (CNA)—The nation's judicial head voiced his opposition Thursday to calls for a plebiscite to decide Taiwan's future.

Lin Yang-kang, president of the Judicial Yuan, said that since Taiwan independence is not "something we should consider," a plebiscite on the issue "should not be considered either."

Lin was trying to dissuade both oppositionists and some ruling party lawmakers who had called for a vote to decide the controversy over whether Taiwan should go independent or seek eventual unification with Mainland China.

Lin said independence will not bring stability and prosperity to the people of Taiwan, Penghu, Kinmen and Matsu governed by the Republic of China.

Peking is also a big problem. Even if Communist China does not immediately attack Taiwan after it announces independence, Lin said, hostility between both sides of the Taiwan Strait will rise.

In that case, he asked, "how much more money will we have to spend to beef up our defense capabilities?"

Peking will meanwhile intensify its efforts to obstruct Taipei's foreign relations, and trade across the Strait will slow, Lin noted.

Besides these "value judgements," Lin continued, legal considerations make it unfeasible to hold a plebiscite.

According to the Civic Organization Law and the National Security Law, Taiwan independence amounts to changing the national title and dividing the national territory.

"How can we hold a plebiscite to decide an illegal thing?" He asked.

Lin said he was "deeply worried" by the continuing squabbles between those calling for independence and those calling for unification.

"These two groups of people are being increasingly polarized," he said.

He urged all people to stop their quarrels over the issue and unite together to further develop the country, so that it will be able to maintain its current well-being.

Women's Groups Denounce DPP

OW1810092691 Taipei CNA in English 0748 GMT 18 Oct 91

[Text] Taipei, Oct. 18 (CNA)—More than 100 women's organizations have issued a joint statement denouncing the opposition Democratic Progressive Party's [DPP] call for Taiwan independence.

The statement urged all people in the country to awaken and not to allow a handful of people to put the lives and property of 20 million Taiwan people at stake.

The statement asked the government to quickly handle the case in order to recover confidence in the country.

All the women of the country want peaceful and happy lives and they are unwilling to see the prosperity enjoyed by all people here over the past 40 years to be undermined by the DPP's move, the statement stressed.

The DPP's Taiwan independence call overlooks the law, causes the social order to deteriorate, the economy to decline, and gives the Chinese communists a pretext to invade Taiwan, the statement added.

Stock Investors Protest

OW1810091491 Taipei CNA in English 0803 GMT 18 Oct 91

[Text] Taipei, Oct. 18 (CNA)—A street protest will be held by local stock market players to show their dissatisfaction over the opposition Democratic Progressive Party's (DPP) inclusion of a Taiwan independence referendum clause in its party platform.

Yuan Hsi-kwang, chief of the ROC [Republic of China] Securities Investors Association, said that the Taiwan Stock Exchange's weighted stock index has lost more than 530 points since the DPP adopted a resolution last weekend incorporating the advocacy of Taiwan independence into its platform.

The DPP's move has taken a heavy toll on local capital markets, Yuan said, so his association will invite investor representatives from all parts of the island to attend an emergency seminar at the National Taiwan University Alumni Club in Taipei today.

During the seminar, Yuan said, discussion will concentrate on how best to protect stockholders and to stabilize market prices.

Yuan said stock investors have lost an estimated NT [new Taiwan] \$325 billion in face value over the past few days.

Vice Economic Affairs Minister P.K. Chiang said Thursday that political unrest will influence not only the stock market but also investment willingness. Various economic indicators show that domestic economy is growing steadily, Chiang said, but the recent slump of the stock market indicates that investors feared political unrest will cause uncertainty in the nation's capital markets.

Police Caution Group on 'Radical Activities'

OW1810084891 Taipei CNA in English 0743 GMT
18 Oct 91

[Text] Taipei, Oct. 18 (CNA)—The National Police Administration (NPA) Thursday warned the supporters of the so-called "Taiwan National Building Movement Organization" that their radical activities have violated the law.

The NPA said in a statement that those who are engaged in violent activities to undermine social stability will be punished by law.

The organization was founded without government approval by Ms. Chen Wan-cheng, who is now wanted by the police on a sedition charge.

NPA Director General Chuang Heng-tai said that anyone who tries to cause chaos by violent means will be abhorred by the general public. He called upon the general public to cooperate with the police in fighting crimes and maintaining social order.

He pointed out that supporters of the organization have committed many violent and illegal acts since it became operational in May in Taichung, central Taiwan. For example, they have stored large quantities of clubs, fire crackers, gasoline bombs, and other home-made explosives in their building. They have also illegally searched pedestrians and vehicles passing by their building.

Their propaganda cars, dubbed "national building tanks," roam the streets in defiance of police and traffic rules. Two police cars have been attacked by them with gasoline bombs, Chuang pointed out.

The police impounded Thursday in Taichung one "national building tank" and arrested six organization members, who tried to obstruct law enforcement officers during the police crackdown.

Yu Chun-yen, commissioner of the Taiwan Provincial Police Administration, said the propaganda car was impounded because it did not have an operating license, not because of the opposition Democratic Progressive Party's inclusion Sunday of a secessionist clause in its party platform.

Six Members Detained by Police

HK1810063691 Hong Kong SOUTH CHINA
MORNING POST in English 18 Oct 91 p 12

[By Willy Wo-lap Lam]

[Text] A banned separatist organisation in Taiwan intends to openly challenge the Kuomintang [KMT] government by holding a convention to clamour for "nation-building".

The World United Formosans for Independence, which was founded in the United States more than 30 years ago to promote an independent Taiwan, plans to establish a branch on the island at its first public meeting in Taipei, to be held on Sunday.

The dramatic move comes amid signs that KMT hardliners are making good on threats to take action against the pro-independence opposition, including the Democratic Progressive Party.

Yesterday, six members of the Organisation for Taiwan Nation-Building, which is allied to the U.S. body, were detained by police after a scuffle.

The clash took place in the central city of Taichung, where the local organisation is based, when police tried to tow away a truck used by members during earlier demonstrations.

Police said they had been looking for the vehicle, dubbed the "Democracy Tank", since August, when organisation members were alleged to have attacked the KMT's Taichung branch with fire-bombs.

But political sources in Taipei said the challenge posed by the U.S.-based independence group would be much more devastating given the fact that the KMT had imposed a ban on the organisation since the 1960s.

Organisers of the overseas body said in Taipei yesterday that more than 200 members, including a few wanted by Taiwan police, would make a public appearance on Sunday.

They included Dr Kuoh Cheng-kuang, a key member of the organisation's U.S. headquarters, as well as the head of the Japan branch, Mr Hsu Shih-kai.

"We plan to first set up a Taiwan branch and then move the headquarters back to Taipei by next April," spokesman Mr Tsai Wenhsu told the SOUTH CHINA MORNING POST.

"We do not plan to go through the normal registration procedures because we think the laws are unjust."

One of the chief organisers of Sunday's convention, Mr Chiang Kai-shih, said they realised that existing laws, including the controversial Article 100 of the Criminal Code, would brand them as a "seditious body".

"We will not put up any resistance if the police were to arrest us," Mr Chiang said. "However, judging by past practice, the KMT does not always act out their threats."

Analysts said the KMT was particularly disturbed by the fact that several prominent members of the Democratic Progressive Party had joined hands with the U.S. independence group.

For example, legislator Ms Yeh Chu-lan and former party chairman Mr David Chiang are to act as members of a "co-ordinating committee" that will engage in negotiations with the KMT should the authorities take legal action over the convention.

Moreover, the party's chairman, Mr Hsu Hsin-liang, and the secretary-general, Mr Chang Chun-hong, are in Tokyo and believed to be holding talks with the U.S. body's chairman, Mr George Chang.

Mr Chang, also wanted by the Taiwan authorities, said he planned to return to the island to join a major pro-independence demonstration in Kaohsiung on October 25.

Political sources said the KMT had still not decided whether to use force against the main opposition party.

Australian Air Links Threatened by Passport Snub

OW1810085091 Taipei CNA in English 0737 GMT
18 Oct 91

[Text] Taipei, Oct. 18 (CNA)—Failure of Canberra to quickly improve its treatment of Republic of China [ROC] nationals will affect relations between the ROC and Australia, a Foreign Ministry official said Thursday.

Lin Shui-chi, director of Asian-Pacific Affairs Department of the Foreign Ministry, explained that the government has strongly urged Canberra to respect ROC nationals and to remove a derogatory disclaimer stamped in ROC passports stating it does not recognize the country.

Lin said that if Canberra fails to take immediate action, flights on the newly-opened Taipei-Sydney route may be suspended.

The Ministries of Foreign Affairs and Transportation and Communications have reached an agreement that if Canberra does not reciprocate in good faith, Taiwan may have to suspend the direct air links before the end of this year.

But a transportation and communications official pointed out that the memorandum signed between the two countries calls for a party who wishes to discontinue the air service to inform the other party 12 months prior to the actual cutting of links.

The official said that if the ROC unilaterally discontinue agreement, it will violate international practice.

Some parliamentarians had demanded that the Transportation and Communications Ministry suspend air links because Canberra's unreasonable treatments of ROC nationals.

The Sino-Australian Air Links Agreement was signed last August, and Australian Asia Airlines first flight to Taipei arrived on October 11 while Mandarin Airlines first flight to Sydney took off on October 16.

Ministry Discusses East European Aid, Trade

OW1810041091 Taipei Voice of Free China
in English 0200 GMT 17 Oct 91

[Text] The Economics Ministry Wednesday announced it has already selected Hungary, Czechoslovakia, the Soviet Republics, and Poland to receive priority consideration when they apply for loans from the ROC's [Republic of China's] Overseas Economic Development Fund.

After hearing a report from the Board of Foreign Trade on a plan to strengthen economic and trade relations with Eastern Europe, the Economics Ministry pointed out: It has agreed in principle to give priority consideration for loans to the Soviet Union, Albania, Bulgaria, and Romania.

The ministry also agreed to invite personnel from Czechoslovakia, Bulgaria, and Estonia to visit the ROC. It is the first time since Estonia declared independence from the Soviet Union for the ROC and Estonia to make official contacts.

In addition, of the eight Eastern European nations, the ROC has already given preferential tariff treatment to Hungary, Poland, and Yugoslavia. However, currently only Hungary and Poland have offered equivalent treatment to the ROC.

The Board of Foreign Trade is working with ROC agencies overseas to investigate obstacles in Eastern European trade with the ROC and is requesting that Yugoslavia also provide preferential treatment to the ROC.

Hong Kong

Jiang Zemin Meets With Hong Kong Businessman

OW1710144991 Beijing XINHUA in English
1359 GMT 17 Oct 91

[Text] Beijing, October 17 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, met with wellknown Hong Kong personage Run Run Shaw at the State Guesthouse here this evening.

Jiang expressed his sincere thanks to Shaw for his support to the educational cause and the people in flood-hit areas on China's mainland.

During the meeting, Jiang briefed Shaw on the development of the mainland's agricultural production.

He said that there are 900 million peasants in China and education is the key to the country's agricultural development.

Shaw, chairman of both the Shaw Brothers (HK) Ltd. and HK [Hong Kong] Television and Broadcasts Ltd., has donated a total of more than 530 million H.K. dollars (about 68 million U.S. dollars) to colleges and universities on the mainland, involving 83 projects.

Besides, his Television and Broadcasts Ltd. organized a charity performance this summer in support of the flood-hit areas in east China, contributing 70 million H.K. dollars (about 9 million U.S. dollars).

Controversy Over Repatriation Agreement Continues

SRV Official Comments

HK1710135291 Hong Kong Television Broadcasts
Limited in English 1115 GMT 17 Oct 91

[From the "News at 7:15" program]

[Text] A Vietnamese official says an agreement on repatriating nonrefugees will be signed, but not in the next few days. More details from Diana Lin:

[Begin recording] [Lin]: The official says there will be no signing of any agreement in the next few days.

[Vietnamese official] Today and tomorrow and the day after tomorrow, there is no signing at all.

[Lin] But he says Hanoi does intend to sign the agreement at some point.

[Vietnamese official] There would be signing in the near future, but I don't know the exact date in the future.

[Lin] The official said Hanoi has accepted two points in the agreement, including no cash incentives for double-backers.

[Vietnamese official] The agreement content is consist of, you see, the first is the border repatriation program and also the second thing is about the people who come

to Hong Kong twice and be back to Vietnam receive no money from UNHCR [United Nations High Commissioner for Refugees].

[Lin] And Vietnam has accepted those two points?

[Vietnamese official] Yes, yes, yes.

[Lin] What I was trying to find out is why Vietnam is delaying the signing.

[Vietnamese official] Because it is very busy working.

[Lin] Hanoi claims that it needs time to contact offices concerned to prepare for the return of nonrefugees, but no instructions involving a new repatriation agreement have been received by the Foreign Affairs Department at the coastal city of Haiphong, from where many boat people now in Hong Kong had originated.

[Vietnamese official] We have got... Perhaps in future, we should have such kind of agreement. I do not receive any information about such kind of agreement.

[Lin] However, the official was eager to report that many boat people are returning to Haiphong voluntarily.

[Vietnamese official] Every week, we receive the people from Hong Kong to Haiphong. Many of them voluntary, voluntary.

[Lin] But other boat people still in Hong Kong continue to protest against being sent home. While those at Whitehead Camp took a respite from their daily demonstrations, 1,500 boat people at High Island Camp today took up the banner. Diana Lin, TVB News. [end recording]

Obstacles Reportedly 'Overcome'

HK1810022691 Hong Kong SOUTH CHINA
MORNING POST in English 18 Oct 91 p 3

[By Alan Boyd in Hanoi and Rosemary Langford in London]

[Text] Vietnam and Britain were believed to have overcome most technical obstacles to a mandatory repatriation programme for boat people yesterday after three days of talks in Hanoi.

A Vietnamese official said Hanoi was grappling with contingency problems over the scale of repatriation, but wanted the plan finalised "within days if possible".

"Vietnam has not changed its mind and neither has Britain—it's nothing like that. We are not sure how this can be handled, because the numbers are very big," he said.

The deal providing for the return for the boat people who do not qualify for refugee status, was expected to be signed on Wednesday, but the talks between British and Vietnamese representatives have been overshadowed by the formidable task of coping with such a huge influx.

Vietnam is believed to be unsure how to accommodate and re-integrate the boat people who have been screened out as economic migrants and denied resettlement in third countries.

Another Vietnamese concern is security during the return journey, with the growing camp violence in Hong Kong prompting fears of incidents on board the repatriation aircraft or ships.

These problems are expected to take days to resolve, but Vietnamese officials said an agreement might be signed regardless while procedural planning continued.

"I think both sides want (the repatriation) to start as soon as possible before the camp problems attract too much publicity," said one Vietnamese official.

A second Vietnamese official said an accord was reached in principle on Wednesday, but the resulting technical difficulties had prevented ratification.

Hanoi is believed to be preparing an information package for the international community to explain its decision to permit the forcible return.

One Western diplomat said the onus would be on Hong Kong to ensure the operation passed without any problems.

"They don't want anything to go wrong, and that's why it is taking a little longer. It must be watertight, both for credibility reasons and because of the security aspect."

Inmates in Whitehead, Hong Kong's biggest detention centre, yesterday warned that there would be mass disturbances inside the camps if any attempts were made to repatriate them forcibly.

Peaceful demonstrations which have taken place in the camp throughout the week spread to the High Island detention centre yesterday where about 2,000 protested.

At a press briefing in London yesterday, the Governor, Sir David Wilson, said no date had yet been fixed for the agreement to be signed.

"There has been lots of speculation of promised dates and these are only speculation. We do want a signing of an agreement between the British administration and the Vietnam Government but are not clear when this will be," he said.

Asked whether there was any serious difference with Hanoi regarding the plan he said: "I don't think there are serious differences between the two sides."

Hong Kong was moving towards an "overall" way of getting over its long running problem with boat people and other countries in the region were likely to follow.

"I expect similar arrangements with the Vietnamese migrants to be followed by these other countries. They are looking to see how the Hong Kong problem is tackled."

Sir David said he hoped the United States would understand the situation could not continue.

"We hope the Americans understand that the Comprehensive Plan of Action (CPA) signed in Geneva in 1989 must be preserved.

Asked why he thought the U.S. remained sensitive on the issue, he said: "I hope the hang-up the Americans have after the Vietnam War will have disappeared. We have to explain to the U.S. the importance of the plan. The CPA has already been breaking down in the area."

Governor Criticizes U.S. Policy

*HK1810024791 Hong Kong THE STANDARD
in English 18 Oct 91 p A-1*

[By Antony Cheesewright and Flora Wong]

[Text] The Governor, Sir David Wilson, yesterday blamed the United States for Vietnam's failure this week to sign an agreement with Britain on mandatory repatriation for Hong Kong's boat people.

After hearing that Hanoi had aborted Wednesday's expected endorsement of the deal, Sir David said in London that Washington's attitude toward mandatory repatriation had been "instrumental" and "a factor in all this".

Asked whether the United States' position had affected British and Vietnamese policy, he said: "The American attitude has been a factor in this in many different ways.

"I can't totally explain the American attitude. For us it is so obvious that if you're going to look after people who are genuine refugees, you've got to find some way of dealing with those who are not.

"Otherwise, the whole Comprehensive Plan of Action—the internationally-agreed way of dealing with this problem which we achieved in 1989—is going to break down."

Sir David's comments came in the wake of Vietnam stepping back from affirming forced repatriation and asking for "financial support" to implement "orderly repatriation".

In a written reply to THE STANDARD yesterday on the stand of the Vietnamese government on forced repatriation, the Vietnamese Foreign Ministry's spokesman, Ho The Lan, said Vietnam had emphasised that it was against forced repatriation but only accepted "dignified" returnees with "necessary financial support".

"Vietnam has never accepted forced repatriation. On the other hand, Vietnam is responsible for Vietnamese citizens who are refused by all countries of refuge," he said.

Mr Ho said that no agreement would be signed in the next few days but one would be signed "soon".

He brushed aside as "routine consultations" the recent talks between the British embassy in Hanoi and Vietnamese officials on details of the repatriation plan.

Sir David, who has held talks in London with a number of ministers including British Foreign Secretary Douglas Hurd, said: "What we have been trying to convey to the Americans is that from Hong Kong's point of view, we have got to find a way of dealing with this problem."

"Our camps are full, and I don't believe it's humane. People have been staying in them for years, hoping and longing to settle themselves in the United States and with no prospect whatsoever of ever doing so."

"That's why we need to get arrangements in place as soon as possible to return to their homes in Vietnam people who are not refugees. And we very much hope that the Americans will understand that imperative."

"I really can't say how the Vietnamese look at the American attitude, but I think they understand that the outflow of their own people has been a real problem for the whole region."

"I am very pleased by the change of attitude in Vietnam to this issue, and hope we can turn that changed attitude into firm arrangements for getting people back to their homes in Vietnam as soon as possible," Sir David said.

"We on our side want to sign an agreement (with Hanoi) as soon as possible."

Possible Border Shift at Shenzhen Viewed

HK1410003991 Hong Kong SOUTH CHINA
SUNDAY MORNING POST in English 13 Oct 91 p 2

[By Jane Hutchinson; from the "Sunday Money" section]

[Text] High in the board rooms of the steel and glass towners which stud the Shenzhen skyline, men with expensive suits and Rolex watches talk vehemently about the impending shift of the Hong Kong/China border.

Hong Kong officials staunchly deny any redrawing of the thin red line separating the capitalist and emerging-capitalist worlds, saying the Sino-British treaty specifically precludes any change in the status quo ahead of 1997.

But the new tycoons of China are detailing corporate strategies which hinge on the border being moved north to enable Hong Kong and its free market way of life to envelop the burgeoning industrial centre of Shenzhen as soon as 1995.

Whether the talk is wishful thinking, prophetic rumour or Shenzhen municipal policy is still not clear. But, even though shifting of the border is not proscribed by the Basic Law, in a town where even the most unlikely speculation has a way of becoming reality the lifting of border restrictions between Hong Kong and Shenzhen is talked about with a sense of certainty.

In the Dongyuan Road offices of Shenzhen Champaign Industrial—the only Shenzhen-listed company with Hong Kong shareholding—chairman Mr Peng Jian Dong points to a map showing where the new territorial

division will be and waxes lyrical about the boundless business opportunities the changes will present.

The company is anticipating a doubling in local property values as a result of the border shift and has three major residential/commercial developments underway, as well as its traditional textile and trading operations.

Mr Peng said the rationale was that at \$900 a square foot, the top prices being paid for the myriad luxury apartments springing up in Shenzhen, are about half those being paid a few hundred metres away in Lowu.

Take away the inconvenience of clearing immigration and customs, he said, and Shenzhen property prices would soon catch up.

Although Champaign is the only listed Shenzhen company with Western shareholding, it is one of several thousand Hong Kong-backed operations which stand to make wind-fall gains from any shift or relaxation of the border.

But the line dividing the two economies is blurred.

New Territories housewives trip back and forwards across the border daily to take advantage of the abundance of cheap fresh produce in Shenzhen and perhaps to smuggle the odd parcel of contraband cigarettes.

More and more of Hong Kong's elderly are looking to retire to Shenzhen's cheaper rents and relative tranquillity.

And while Hong Kong workers have long commuted to factories in Shenzhen, increasingly they are choosing to live in the special economic zone and commute to work in Hong Kong.

According to Mr David Whittall, economic analyst with Baring Securities, which has compiled an exhaustive study on Shenzhen's economic development, about 20 per cent of Hong Kong's currency circulates in southern China.

He said Hong Kong's 30 per cent export growth was almost entirely due to re-exports from the estimated 20,000 Hong Kong-backed factories in Shenzhen.

Yesterday's opening of the 10 million annual passenger capacity Yan Tian airport—70 kilometres from Hong Kong's Kai Tai—the establishment of a bounded duty free zone at Fu Tian, the construction by Hong Kong-based Hopewell of a highway linking Guangdong to Hong Kong and the impending advent of B-class shares for foreign investment on the Shenzhen stock market are clear signs the links between the two regions will become closer and closer ahead of 1997, regardless of any cartographic alterations.

Speaking at a seminar in Tokyo last month, Shenzhen Vice-Mayor Mr Li Guangzhen stopped short of flagging a change to existing border controls, but left little doubt the future economic success of the two regions was inextricably intermeshed.

He said: "As an international trading, financial, shipping and communications centre, Hong Kong will not only continue to serve as a bridge linking China with the

outside world in the run up to 1997 and beyond, but will also merge with Shenzhen and the Pearl River Delta to form an economic region competitive on the international market and significant to the economy of the Asia-Pacific region."

He said Shenzhen's spectacular 47.9 per cent annual GDP growth and 75.2 per cent export growth over the past 10 years would not have been possible "without Hong Kong's contribution".

But he stressed both sides had benefited. "On the part of Hong Kong, if it had not been for the support of the mainland, and Shenzhen in particular, the territory would not have been able to sustain an average economic growth rate of 7.4 per cent during the 1980s."

Hong Kong has availed itself of Shenzhen's abundant land and labour supply to slash production costs and boost export competitiveness, while Shenzhen was used Hong Kong to gain access to world markets, foreign capital, management expertise and technology.

Mr Li said Hong Kong accounted for 66 per cent of the total foreign investment in Shenzhen.

The local government wants the Shenzhen economy to reach a level comparable with developed countries by the end of the century and has set targets to boost GNP to Rmb [renminbi] 45 billion (HK\$ [Hong Kong dollars] 65 billion), total exports to US\$8 billion (HK\$62.4 billion) and per capita GDP to Rmb 15,000, by the year 2000.

To this end, Shenzhen is pursuing nine infrastructure and industrial projects including the airport, deep-water harbour, highway, telecommunications and energy.

But Shenzhen's future development hinges not only on its efforts, but on the support of its free-market neighbours.

The sense of the merging fates of the two economies is shared by officials on both sides.

Speaking at the same Tokyo seminar, Dr Victor Fung Kwok-king, the new chairman of the Hong Kong Trade Development Council, said: "Today Hong Kong is so interdependent with Shenzhen and the rest of south China that it is impossible to talk about the economy of one without linking it to the other—a true symbiosis."

He estimated 80 per cent of Hong Kong manufacturers, including those in the electronics, toy, garment and watch industries, had moved most of their labour and land intensive production to Guangdong.

About 20,000 factories in the region are either owned by or sub-contracting for Hong Kong manufacturers and employ an estimated two million Chinese workers—more than three times the industrial workforce of Hong Kong.

In the 10 years since Beijing established the 330-square-kilometre Shenzhen Special Economic Zone as an experiment in economic reform, the region has undergone a metamorphosis from a sleepy border town with

100,000 inhabitants to a burgeoning 20th century city with a population of more than two million.

Baring's Mr Whittall said Shenzhen already resembled Hong Kong more than China "with its 50-storey skyscraper, revolving restaurants, cellular telephones and digital pagers".

He said the average 1989 annual income in the region was Rmb 13,709 (about US\$2,500)—twice that of China's next ranking city, Zhuhai Special Economic Zone, and five times the national average.

Few dispute the remarkable growth of the Shenzhen economy and its success as a model for economic reform. But some believe the snow bailing wealth and Westernisation of the region and its people is threatening to erode the zone's pivotal importance to both Hong Kong and China.

Ernst and Young principal and Shenzhen expert Mr Alfred Shum Yuk-man said foreign investors could secure cheaper labour and rents outside the protected confines of the Special Economic Zone, and were increasingly moving to inland regions such as Bao An province [name as published], where wages were as much as 80 per cent lower than the HK\$1,000 a month being demanded by local labour.

Peat Marwick's Mr Walter Kwauk agreed: "Shenzhen has always been Hong Kong's industrial processing backyard. But now we want a bigger backyard."

He said the light manufacturing industry which had formed the foundation of Shenzhen's early economic success was being replaced by hi-tech manufacturing and service industries characteristic of a develop economy.

At the same time Shenzhen is losing its unique appeal to Hong Kong investors, its increasingly affluent population's hunger for Western goods is hurting the region's balance of trade and ultimately its attractiveness to the Chinese central government.

Baring's Mr Whittall said: "If Hong Kong is an entrepot to the West for China, Shenzhen is an entrepot to China for Hong Kong. The original purpose of Shenzhen was to earn foreign exchange for China, but in reality it's not turning out that way. They have trouble maintaining a trade surplus because of illicit imports."

He said that despite the obvious economic success of Shenzhen, its contribution to the national economy had proved minimal. As such Shenzhen's future could depend on the transferability of its economic model to the rest of China.

He said the question of whether Shenzhen ultimately proved to be merely a microeconomy inside a macroeconomy, or a

model for the development of greater China, could impact on Hong Kong as much as on Shenzhen itself.

PRC To Hold Aerospace Technology Exhibition

*HK1610105391 Hong Kong SOUTH CHINA
MORNING POST in English 16 Oct 91 p 2*

[Text] China will hold a large-scale aerospace technology show in Hong Kong next month with exhibits including the Long March III rocket, which launched the AsiaSat I satellite in April last year.

The exhibition, to be held at the Hong Kong Convention and Exhibition Centre from November 30 to mid-December, will also be a showcase for models of China-made satellites for communications, scientific research and weather monitoring.

It will be the most advanced aerospace show staged in Hong Kong and is expected to attract tens of thousands of people.

There will be a preview of the exhibition in Beijing on Friday and Saturday.

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